FBIS **DAILY REPORT**

MIDDLE EAST & SOUTH ASIA REVIEW

7 JANUARY 1987

Lebanon

Attempt on Sham'un — Camille Sham'un narrowly escaped an assassination attempt 7 January, the clandestine Radio Free Lebanon reported, adding that 6 people were killed and 35 were wounded when a car bomb exploded near a convoy carrying the former president.

SLA — Israel's *Ma'ariv* spoke of "demoralization" in the South Lebanese Army (SLA), noting that some 100 SLA men have been killed by Hizballah attacks in recent months and that 250 have deserted. During a tour of the Israeli security zone in Lebanon, Israeli Defense Minister Yitzhaq Rabin told Jerusalem television that Syria is responsible for aiding and activating "terrorism" in Lebanon. In a related development, IDF radio noted that three SLA men were injured in a 6 January bomb attack in the south.

Iran-Iraq War

Iranian warplanes inflicted heavy casualties and losses in two raids against Iraqi positions on the southern front, according to communiques cited by IRNA. The agency also reported that "hundreds" of Iraqi troops were killed or wounded by poisonous fumes when Iranian artillery fire caused an explosion at a munitions depot on the Shatt al-Arab 5 January. Regarding action in the Gulf, an Iraqi military spokesman denied an Iranian claim that artillery destroyed several helicopters on a pad at the Al-Bakr oil platform.

GCC and the ICO Summit

There are "no obstacles" preventing the convening of the ICO summit conference in Kuwait and thus far "no Islamic state has apologized for not attending," the UAE minister of state for foreign affairs announced in remarks reported by Riyadh radio 7 January. Speaking at the end of the GCC foreign ministers meeting, he also confirmed that all GCC member-states are committed to the date and venue of the ICO summit.

Israel

IDF in Tabah — A military spokesman cited by AFP disclosed that the IDF will maintain its positions in Tabah after the scheduled deployment of the Multinational Observer Force (MFO) in the area. A Foreign Ministry spokesman stressed that the Israeli-Egyptian arbitration agreement does not provide for the IDF's withdrawal from Tabah, the agency added. On the other hand, an Egyptian Foreign Ministry statement carried by MENA asserted that the MFO is responsible for ensuring that there are "no military units or weapons" in Tabah.

Lavi Project — Israel must continue with the Lavi in its present form, Foreign Minister Shim'on Peres told IDF radio after meeting with U.S. Deputy Under Secretary of Defense Dov Zakheim. In remarks broadcast by Jerusalem television, Prime Minister Yitzhaq Shamir spoke of a "general desire" to continue developing the Lavi, while Jerusalem radio cited the IDF chief of staff's view that the Lavi project is of national significance and should be given the necessary backing.

Egypt

Security forces arrested 10 students involved in a 6 January riot by religious activists at Al-Zaqaziq University, MENA reported.

Kuwait

The state security court found four of five defendants guilty of planting bombs in public cafes in July 1985, KUNA reported, adding that of the two convicts sentenced to death, only one is in custody.

Afghanistan

In remarks cited by TASS, Soviet Foreign Minister Eduard Shevardnadze praised the DRA cease-fire initiative as "a wise political decision" and urged "all contending forces" to come together and discuss peace. He also called on Afghanistan's neighbors to accept the "hand of reconciliation." In addition to talks with PDPA Secretary General Najibullah, the Soviet minister had separate meetings with Council of Ministers Chairman Soltan 'Ali Keshtmand and with his DRA counterpart, Abdol Wakil, Kabul radio reported.

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the image of the occupation, taking the occupation as a reality and legitimizing it, and entrenching the occupation under the theme of peace in accordance with the Zionist concept which the United States and Israel are trying to impose on our people through the false temptation of local administrations based on the confiscation of land and the entrenchment of occupation and patronage.

In this regard, the Executive Committee reviewed the brave and enlightened position of our people in the occupied land — a position expressed by the great popular uprising which epitomized the ties of our people inside the occupied land with our masses in the diaspora — stressed the unity of struggle and the unity of fate and goals, and reinforced our national unity stemming from the unity of our masses, revolutionaries, and strugglers. The Executive Committee hails with appreciation our steadfast people under the occupation and in the camps who confirm every hour their adherence to their revolution and its goals as well as their rallying around the PLO, their sole legitimate representative and the leader of their struggle.

Our people in the camps also stress daily their categorical rejection of and their determined and effective resistance of all hostile plans regardless of their source and perpetrators. They also stress their immortal and sacred ties with their homeland and their determination to achieve real peace based on the Palestinian people's inalienable rights, including the right to repatriation, self-determination, and the establishment of an independent Palestinian state with Jerusalem as its capital.

The committee discussed the conditions of our people in Arab countries and the difficulties facing them in regard to residence, movement, labor, and education and drew up a special working plan to overcome these obstacles, eliminate these difficulties, and ensure that our people are equally treated in accordance with Arab and Islamic summit resolutions and on the basis of brotherly ties.

The committee also reviewed political moves on both the Arab and international levels and heard detailed reports in this regard. The committee aquainted itself with the latest developments on the unity of resistance factions. In this regard, it stressed its concern about achieving this as soon as possible in response to the desire of our people and revolutionaries to entrench Palestinian democracy and Palestinian institutions in accordance with PNC resolutions in its successive sessions.

The committee also discussed all issues relating to the Islamic conference scheduled to be convened in Kuwait at the end of this month, considering the important circumstances under which it will be convened. It also set up a delegation under Brother Abu 'Ammar [Yasir 'Arafat] to attend the conference and defined its positions regarding the Palestinian working paper and the Palestinian delegation's moves.

Regarding administrative issues, the committee made a number of administrative and financial decisions, especially in the educational area. The committee discussed the financial conditions of universities in the occupied homeland, the project of the open Jerusalem University, the project of the Jerusalem University in Khartoum, and the conditions of our students in Arab and friendly universities and endorsed plans in this regard. Revolution until victory.

Iran Opposes Holding ICO Summit in Kuwait

LD061235 Tehran Domestic Service in Persian 1030 GMT 6 Jan 87

[Text] The special envoy of the foreign minister of the Islamic Republic of Iran to Jeddah met with ICO Secretary General Pirzada and submitted to him our foreign minister's written message. This message emphasizes the ICO's role and duties and refers to the question of Kuwait's hosting the fifth summit, saying: From the outset the Islamic Republic of Iran had certain reservations about Kuwait's chairmanship of the summit because the conduct of that country, especially in the last few years, has demonstrated a lack of independence and is being influenced by the policies of other countries of the region, especially those of the aggressive Iraqi regime. Nevertheless, the Islamic Republic of Iran decided to adopt a positive approach toward the issue and to offer Kuwait the opportunity to correct and revise its positions, especially in connection with the imposed war, and thus acquire the qualifications necessary for holding the summit chairmanship. This issue was made clear to the special envoy of the Kuwaiti amir.

Unfortunately, the stances that have since been assumed by Kuwaiti officials reveal that Kuwait is determined to turn the fifth summit into a platform for achieving the political and propaganda aims of the aggressive Iraqi regime. In addition, Kuwait maintains its logistic, financial, and political support for that regime. During the imposed war Kuwait's airspace has been repeatedly used by Iraqi military aircraft, and Iraq's naval ships take shelter in Kuwaiti ports to escape being encircled by the fleet of the Islamic Republic of Iran. Bubiyan Island has been repeatedly used by Iraq for military purposes.

In circumstances in which the war has reached critical stages and in which the southern front is one of the active fronts, it is clear that the Islamic Republic of Iran cannot be indifferent toward Iraqi military operations within Kuwait's territorial waters, airspace, and territory. The Islamic Republic of Iran is nevertheless still steadfast in its principled position on preventing the spread of the scope of the war. The Islamic Republic of Iran declares that it is opposed in principle to the fifth ICO summit being held in Kuwait and that it regards Kuwait's hosting of the conference as cause for dissension among the Muslim ummah and for crisis for the ICO. Our foreign minister has asked the ICO secretary general to make every effort to find a suitable replacement to host this conference. This message also emphasizes that the Islamic Republic of Iran in its turn will pursue its efforts for a successful summit conference to be held in a neutral country that is acceptable to all the Islamic countries.

PLO Executive Committee Issues Statement

JN062055 Baghdad Voice of the PLO in Arabic 1834 GMT 6 Jan 87

["Text" of statement issued by the PLO Executive Committee at the end of its meetings in Baghdad; date and place not given]

[Text] In the name of God, the merciful, the compassionate. A statement issued by the PLO Executive Committee.

The PLO Executive Committee resumed its meetings in Baghdad, the Iraqi capital, on 4 January and 5 January 1987 under Brother Yasir 'Arafat, PLO Executive Committee chairman and commander in chief of the Palestinian revolution forces, in which PNC Speaker His Eminence Shaykh 'Abd al-Hamid al-Sa'ih participated. The committee began its work by sending a congratulatory cable to Iraqi President Saddam Husayn on the victory achieved by the heroic Iraqi Army on that great day in defense of Iraq's land and the eastern flank of our Arab nation as well as on the importance of reinforcing all Islamic, international, and nonaligned efforts to end bloodshed, terminate this war, and direct all energies and efforts to liberating holy Jerusalem from Zionist occupation.

At the beginning of its meetings, the committee discussed the conditions of our Palestinian people in their camps in Lebanon, in the occupied homeland, and in the diaspora. The discussion centered on the series and chapters of the hostile plan against our people in all these places. Regarding Lebanon, the committee reviewed and discussed what is happening there, namely, the escalation of the war of annihilation being waged by the Syrian regime-backed Amal gangs and some units of the Lebanese Army against the Palestinian camps in Beirut, with the help and support of Israeli planes and Navy which besiege camps in Sidon and Tyre, to destroy them and persecute their inhabitants as part of a plan to expel our people from Lebanon, prepare for the establishment of sectarian statelets, and share zones of influence with Israel on Lebanese Arab territory.

At the same time, a PLO Executive Committee delegation was following up and participating in meetings of the Arab ministerial committee in Tunis as well as Arab efforts to achieve a total cease-fire in the aggressive camps war and secure the required Arab guarantees for protecting these camps and their residents.

The committee also followed up with deep appreciation the Kingdom of Saudi Arabia's moves and efforts in this regard, especially since it supports the mission of the Arab ministerial committee as well as other Arab, Islamic, and friendly efforts, foremost of which are those of the friendly Soviet Union which is determined to put an end to the aggressive war against our Palestinian camps in Lebanon. The committee also discussed the difficult relief and health conditions in the besieged camps and approved a number of swift arrangements to dispatch relief and medical materials to the camps, especially the Al-Rashidiyah, Shatila, and Burj al-Barajinah camps, and also discussed the need to immediately stop the fighting and lift the camps siege.

Regarding the occupied homeland, the Executive Committee discussed the continuation of the policy of repression, the settlement, Judaization, and expulsion plans, and the imposition of collective punishments and persecution being escalated by the Israeli occupation authorities against our people there to confront the mammoth popular uprising of our people in the occupied homeland. It also discussed the importance of strengthening this popular resistance against the Zionist occupation and tools of repression.

The Executive Committee also discussed attempts to carry out a plot called the improvement of living conditions of residents there —a plot aimed at normalizing the Israeli occupation, beautifying

Prime Minister Addresses People's Assembly

NC291617 Cairo Domestic Service in Arabic
0939 GMT 29 Dec 86

[Government policy statement delivered by Prime Minister Dr 'Atif Sidqi before the People's Assembly in Cairo — live]

[Text] In the name of God, the compassionate, the merciful: Mr Speaker of the People's Assembly, dear brother and sister members of the dignified Assembly: I wish you a happy new year and a successful and energetic parliamentary session, God willing. I am extremely delighted to meet today with the representatives of the noble Egyptian people to present the government policy statement and brief you on the government's views and work plan for the future.

Though it is the government's responsibility to develop plans and policies, no matter how much energy and effort it exerts it cannot assume the burdens of national work alone. It needs your contributions and support in your capacity as members of the dignified People's Assembly, whether you belong to the NDP or the ranks of the opposition. Nationalist work can be fruitful only if it is carried out through solidarity in decisionmaking and pooling all potential. I believe that, in practice, this has become a clear reality, as demonstrated by the serious debates on various issues held under the dome of your signified Assembly. The government, while assuming its duties, first emphasizes that it is not beginning from a vacuum. The government program represents an extension and continuation of the programs for economic reform that previous governments have carried out, with full vitality and energy and with continuous follow-up to deal with outstanding problems in various areas. Furthermore, the optimum implementation of the tasks envisioned in the first 4 years of the current 5-year plan, 1982-87, and the huge economic, social, and political gains achieved represent an example for all these governments. This government, God willing, will double its efforts to strengthen positive results and ease whatever negative aspects may exist, through the mobilization of all domestic and foreign resources to manage the economic situation effectively. It will utilize all potential available to serve the production sector and the masses' basic needs. The government, while presenting this statement before your dignified Assembly, takes into account the deep desire for progress and welfare among our great people and their legitimate right to lead dignified lives, with each day better than the day before. This government pledges to do its utmost to fulfill its responsibilities, guided by the points noted in the president's letter of designation dated 9 November 1986 and in his speech to the opening session of the People's Assembly and the Consultative Council on 12 November 1986, all in accordance with the Constitution and law, as well as the tenets of the next national plan for economic and social development.

The government's views on tasks to be carried out in the coming stage, included in this statement I am honored to present to you, fall into five categories:

1. Preserving and consolidating the bases of internal stability;

2. Adopting a clear long-term outlook by determining our strategy;

3. Formulating various national policies to enable us to achieve our strategic objectives;

4. Formulating sectoral policies and programs to enable us to carry out national policies with the ultimate objective of achieving strategic goals; and

5. Foreign policy.

Mr Chairman, members. Allow me to present the first part. The government's plan for maintaining and strengthening the props of internal stability rests on five points. The first is the rule of law. The second concerns the need to review our legislation and to streamline it in accordance with new developments in Egyptian life. The third is the consolidation of democracy. The fourth covers the continued improvement of security for our homeland and people. The fifth and final point is economic and social development.

Permit me to address each of these five points. As for the rule of law, we act on the notion that the supremacy of law lies in the honesty of our legislation, which ensures that it is constitutional and fulfills the general will of the masses. It must also be applied sincerely, and in a strictly legal fashion. The entire state apparatus must be committed to act in line with it, and must deal firmly with all forms of corruption and with any deviation from legitimacy. This can be done through the uniform enforcement of approved laws. The government would like to highlight this matter with full force. The establishment of a system of prompt and complete justice is linked to the rule of law. This requires that the services of the courts and other departments of the Justice Ministry be dispensed more quickly. In fact, the ministry has taken the measures necessary to establish a judicial data bank to collect and classify all legislation and legal principles enacted by the Constitutional Court, the Cassation Court, and the Supreme Administrative Court. On the basis of its belief that citizens dealing with the Justice Ministry have a right to benefit from specialized yet simplified services as rapidly as possible, the government will increase the size of the judiciary, and provide it with facilities to handle an ever-growing number of cases. It will provide teams skilled in forensic medicine, and experts with modern scientific equipment to improve the services it supplies.

In drawing up its strategy, the government has taken account of the fact that the nature of the current era demands a comprehensive survey designed to amend laws incompatible with the spirit of the age and to make them serve our drive for comprehensive economic and social development.

I will now move on to the second point, namely, the revision of legislation and its streamlining in accordance with new developments in Egyptian life. The government wants to bring stability to our laws in all fields. This is particularly true of economic legislation covering investment, foreign trade, and foreign exchange, as well as monetary, credit, and financial affairs. If we are to attain this stability, a number of existing laws must be changed. We must do this with an eye to standardizing and simplifying them, and to linking them with the objectives of our social and economic development plans.

you view the idea of an international conference?

[Salih] The right way to support the Palestinian revolution is for all Arab states to give full material and moral support. The duty of the Palestinians themselves is to unite their ranks and support the PLO, the sole legitimate representative of the Palestinian people. We back the PLO's stands and options, and agree with it on an international conference for the solution of the Palestinian problem, the return of the Palestinian people to their land, and the establishment of their own independent state on their national soil. [passage omitted]

[Hamrush] How do you view Egypt's expulsion from the Arab League in the light of the new changes in the Arab world and Egypt? Will that decision remain valid and binding indefinitely?

[Salih] The decision on Egypt's expulsion was made at the Baghdad summit following the Camp David agreements. Since that time, many developments have taken place. Egypt's return to the Arab League should take place in the same way it was expelled, especially as the current leadership does not bear responsibility for Egypt's expulsion. However, to the Arabs, Egypt still has a place in their hearts. Therefore all Zionist plots aimed at isolating Egypt from the Arabs should be aborted.

[Hamrush] What is the nature of relations between Egypt and Yemen at present? What is the influence of historical stances on these relations?

[Salih] Relations between the two fraternal peoples of Yemen and Egypt are firm and strong. They are sealed by the blood of heroes among the sons of both the Yemeni and Egyptian revolutions. They will remain so. The Yemeni people will never forget the great sacrifices made by the fraternal Arab people of Egypt in defense of the victorious 26 September revolution.

[Hamrush] What do you expect from the next Islamic summit?

[Salih] The holding of the Islamic summit in Kuwait this January will give the Arab leaders the opportunity to meet and talk and thus will pave the way for the holding of the next Arab summit, God willing.

Salih Receives Letter From Al-Qadhdhafi

JN061517 Sanaa Domestic Service in Arabic
1200 GMT 6 Jan 87

[Text] Brother Colonel 'Ali 'Abdallah Salih, president of the Republic, commander in chief of the Armed Forces, and secretary geneal of the General People's Congress, has received a letter from his brother Colonel Mu'ammar al-Qadhdhafi, leader of the 1 September Revolution in the Socialist People's Libyan Arab Jamahiriyah, dealing with current Arab issues and international developments.

Furthermore, the government asserts its commitment to strengthening our valiant armed forces through development of armaments, raising the level of training, using the most advanced technology, and providing an advanced industrial base to manufacture arms.

Also included in the government's concept of national security is the need to put an end to the phenomenon of international terrorism. In this respect, the government asserts its readiness to participate in all joint international efforts to confront terrorism and will spare no effort to adopt all measures needed to do so.

The fifth point deals with economic and social development. The government views basic economic and social development, that is, adopting appropriate structural changes, as one of the most important roles of society. By giving impetus to development efforts, numerous problems confronting citizens in their daily lives are resolved and a greater scope is provided to enhance social justice in a manner that heightens national unity and reduces all forms of intellectual and social extremism, which some people tend to develop under the strain of hard economic conditions.

The Egyptian economy is encountering numerous problems, some of which have become very pressing. This is primarily the result of legacies left us over many years and by the policies adopted to face these problems, policies which neither complemented each other nor were sufficiently stable, in addition to being ineffective. Those policies were not drawn up within a strategy of long-term national objectives. Consequently, these were mostly short-, or at best medium-term policies lacking a comprehensive and integrated view of economic and social circumstances. No doubt the current 5-year plan has attempted to remedy these structural flaws and reduce their effects with regard to the shortcomings of commodity production in the two major spheres — agriculture and industry — and their inability to meet the growing needs of economic and social growth. The same plan has contributed to reforming the flawed relationship between the growth in the payments and the growth in real-term national production. This contribution has reduced the pressures of inflation.

This plan has also contributed to expanding the elements measured when determining the absorption power of the national economy. This power, which controls economic and social development, is represented by electricity consumption, number of trained personnel, use of construction equipment, and the material infrastructure, particularly transport and communications. Nevertheless, despite all the efforts made, numerous flaws persist. These flaws require that all available efforts and resources be mobilized, if not to eliminate the flaws entirely then at least to reduce them and lessen their effects as much as possible. Our productive structure is still flawed, as indicated by the fact that the rate of development, though relatively high, is not in line with major commodity sectors: agriculture, industry, construction, and other sectors. We are still consuming more than we produce and import more than we export, which has led directly or indirectly to our continued dependence on the outside world to meet the requirements of domestic investment and consumption. Public expenditure still exceeds public state [siyadiyya] and current revenues, which has led to a deficit in the public state budget. Much of this deficit is being covered by inflationary finance sources. The absorption power of the Egyptian economy is still lacking.

Consequently, it is not unusual that this should lead to continuing problems in food self-sufficiency, to a deficit in the current balance of payments, and to rising prices for commodities and services. Nevertheless, it is incumbent upon us to assert in this respect that the recent worsening of these problems is largely caused by factors beyond the control of Egyptian planners.

These factors include reduced income of hard currency from oil exports, a result of the drop in international oil prices, and the decrease in remittances from Egyptians abroad, a result of the employment policy of oil-producing Arab countries, which are reducing the number of foreign workers because of the economic stagnation these countries have experienced and their reduced revenues.

In addition to all this, the population growth rate has been such that there are fears concerning the maintenance of the development process itself.

I would like to stress that, according to the contemporary way of thinking, it is no longer possible to achieve all objectives, accomplish all aims, or remedy all problems in a given period of time. There are problems that can be confronted in the short term, not exceeding 1 year, while confronting other problems may require 5 years. As for the structural flaws in the national economy, the implementation of programs to remedy these requires more time.

For us to build a strong national economy capable of achieving our aspirations of a better standard of living and a suitable and dignified life compatible with our great civilization and national resources, the government deems it necessary to develop a fixed strategy to define the coming period. This strategy should be based on the fact that economic development is part of a comprehensive, integrated, and balanced development process, and therefore it is closely related to the social, political, and cultural framework of society. This strategy should be aimed at mobilizing all domestic and foreign resources to fulfill economic needs effectively, providing for increased production, which in turn would allow for continued improvement in the standard of living of the majority of the citizens, within the framework of social justice. This requires consolidating the values, principles, and ethics that strengthen the spirit of national unity among Egyptians, whether residing in Egypt or abroad. It also requires developing human resources to increase workers' productivity, which is the cornerstone of the development process, and to cut production costs.

Mr Speaker, brother members of the Assembly: Allow me to move on to the second part of the statement, related to the government's strategy in the coming stage. The government believes the scientific approach to remedying problems requires adopting a comprehensive view of a long-term strategy, the implementation of which must be gradual and in line with the nature of each stage of economic and social progress. There is no doubt that the most important problems afflicting the Egyptian economy are the result of past developments, as I stated earlier. These problems include: modest productivity, structural flaws, burgeoning domestic and foreign indebtedness, and the modest

For example, law No 43 of 1974 and its amendments control private investment in Egypt. Law No 159 of 1981 governs the status of Egyptian financial companies. By standardizing these two laws, we hope to encourage the role played by domestic capital in direct investment within Egypt. The government has actually started to prepare for this standardized legislation so it will combine all the advantages provided by the investment laws currently in force. This will prevent any contradiction in our laws, permit us to attain the stability required for investment, and offer the most suitable climate for private investment.

In the field of foreign trade, all legislation related to imports and exports will be merged into a single statute that will include those general principles marked by a relative degree of constancy. A guide on import and export directives and publications will be issued periodically. This is a necessary measure to improve familiarity with the measures applicable to foreign trade. On the other hand, the release of executive decisions on imports and exports will be handled by one source to avoid the difficulties that arise at customs checkpoints. We all know and complain of these problems.

As for monetary laws, all of them, as well as the attendant measures and publications, will be reviewed, God willing. Many amendments have been introduced to this body of legislation since the law organizing dealings in foreign currency was passed in 1976. Our goal will be to simplify them and to make their application easier.

At the Ministry of Supply, all decisions on internal trade have been amalgamated into four decisions. This was done only after 60 other ministerial decisions were repealed. We are now studying ways of doing the same for decisions on textiles, the enforcement of the law on control of balances, [not further specified] and the implementation of the law on the control of precious metals.

Regarding real estate taxes, action is being taken to standardize these laws. Numerous amendments to these laws have produced diverse taxation provisions, and these complexities make it difficult to keep track of these laws. It has been decided to prepare standard legislation on these taxes to coordinate between the provisions of the numerous laws mentioned and the achievement of just taxation. There are numerous examples of this. I would like to clarify that we will seek to standardize these laws and to simplify and further develop them. This is both a strategic and urgent task. It is urgent because it will provide for a growing sense of stability and productivity, which is needed at this stage, God willing. The realization of this, God willing, will contribute to the creation of an atmosphere conducive to the activation and growth of the national economy in a climate of stability, confidence, and tranquillity.

I will now address the third point, regarding consolidation of democratic practices. The government believes that democracy is the basis for internal stability. Because democracy means rule of the people by the people and for the people, it provides the means to achieve a balance between rights and duties. Through expressions of differing opinions democracy seeks to serve society's interests within a framework of national solidarity and social equality.

To achieve greater democracy, in form and fact, the government stresses many factors. It places great importance on freedom of the information media as a key factor of the freedom of expression guaranteed by the Constitution. The government will not be upset by criticism from the opposition so long as it is objective and constructive criticism. Indeed, as far as we are concerned, opposition is indispensable in our democratic experiment, [applause] or in any democratic experiment. No one can deny the opposition's role in consolidating the masses' awareness and in presenting a clearer picture of the facts in the interests of the masses. This represents the essence of democracy. The government trusts the good judgment of the opposition parties, and therefore it extends its hand to cooperate with them through constructive dialogue. [applause] We are passing through a delicate stage. I am sure that the opposition parties include honest Egyptians capable of seeing beyond their parties' views to broader national horizons. I would like to say here that our homeland expects much of us all and that the verdict of history will not discriminate between the majority and the opposition. [applause]

We further stress the need to tell citizens frankly about the dimensions of the present situation and the possibilities for development in light of a general concept of how to deal with the current problems and how the masses can live with their problems and aspirations. We invite everyone to discuss our various problems. Hopes can be realized only through real participation of various factions of society in confronting problems within the framework of vigilant and responsible action for the public's good alone.

The government also stresses the need to widen popular participation, because this is the basis of democratic practice, including further organizing voluntary popular efforts, in coordination and harmony with the government's efforts in various fields to serve the public's interests.

I will now move to the fourth point: security of the homeland and citizens. I affirm here that increased productivity and consequent greater prosperity for our citizens, our supreme goal, can be realized only within a framework of a secure homeland and citizens. Comprehensive development first requires that the security of citizens' persons, property, and honor be guaranteed.

What is true for the citizen is even more true for the homeland and its need for security and defense from possible external or internal danger, direct or indirect. Hence, the government finds it necessary to strengthen internal security on the political, criminal, economic, and social fronts. Consequently, the government will spare no effort to consolidate the internal security departments and raise their level of competence to maintain security, implement economic laws, and protect society from the various dangers threatening it.

In this regard, I must assert that the government is completely willing to open a constructive dialogue with parties holding various views to attain a clear perspective and guarantee a climate of mutual understanding and trust for the sake of the general good and to strengthen national unity. [applause] performance of some sectors, such as banking. It is inconceivable to try to solve these problems independently of each other. They are interrelated, and solutions must be comprehensive and complementary, with a long-term outlook, in accordance with a well-defined strategy. The government's strategy in the coming stage can be summed up as follows:

1. To strengthen the people's spirit of unity with the homeland as a starting point;

2. To confront the problem of overpopulation and develop human resources;

3. To increase production;

4. To adopt scientific planning as a means of achieving economic and social development;

5. To fully mobilize domestic and foreign resources to confront the economic situation effectively;

6. To modernize the structural framework of the national economy;

7. To consolidate the method of scientific management and improve government services;

8. To improve education and promote scientific research;

9. To increase self-reliance;

10. To achieve social justice; and

11. To bolster ties of friendship and cooperation with various countries of the world and to foster peace and stability in the Middle East and entire world.

Mr Speaker, members of the Assembly: Allow me to address each of these points briefly.

Regarding to the spirit of unity with the country, the Egyptian character has long been marked by strength leading to harmony and a profound sense of belonging to the country. To the Egyptian this means strong ties with the family and love for his soil and country. No doubt these ties have been the fundamental basis for the successive civilizations of Egyptian history. It is regrettable that we notice a laxity in such ties among some people. This is a negative phenomenon that may be incidental. It is characterized by lack of interest in participating in public life and in interacting on various public issues; apathy about saving public funds and national wealth; lack of enthusiasm to proceed on the proper path to resolve problems affecting the public; and hesitation in shouldering responsibilities. Perhaps the most dangerous phenomena are poor work habits among some individuals and the tendency to try to obtain as much personal gain as possible, as quickly as possible, without exerting any noticeable effort. There are several factors which have led to the appearance of these negative aspects over a period of many years. Given the economic crises, radical waves of thought infiltrating the country through various media channels, and the lengthy absence of democracy, it has not been possible to provide sufficient means of developing the Egyptian individual on the cultural and social bases which would ensure a culture of deep national unity. Hence, it is necessary to rectify these negative aspects before they spread and become a trait, harmful economically, socially, and politically. The government's strategy envisions fostering a political and social climate which encourages in the heart of the Egyptian individual a sense of security about his and his family's life now and in the future and reinforces the importance and value of his interaction with national efforts for him and his society.

The government plan considers cultural development a fundamental basis for the state's comprehensive development, in addition to economic and social developments, with a view to heightening national and cultural awareness based on society's spiritual and civil values, which lead to strengthening the sound roots of the Egyptian personality, particularly those of the young. In this regard, official cultural entities will be assigned to work within this context to provide an appropriate cultural climate in various areas and help constructive ideals reach individuals. The government appeals to private sector enterprises in this field, I refer to theaters, cinemas, etc., to raise their standards to a level compatible with this responsibility.

The second point concerns confronting the demographic problem and developing human resources. The Egyptian citizen is the active element in developing society economically, socially, and politically. Therefore, the more we succeed in increasing the citizen's productivity and raising his skills, the more productivity the country achieves. Lack of concentration on social aspects in development programs and the nonexistence of a national plan for the manpower connected with educational and training plans have made us incapable of eradicating illiteracy and residual diseases or of providing the social framework required for the success of the development process. These matters have led to decreased productivity and actual per capita income. Perhaps the most important problem facing the development process is the growing demographic problem, the dimensions of which are apparent in the rising population, imbalanced geographical distribution, and reduced social welfare services. By this I mean the growing number of dependents in society, which is very high in Egypt. The government believes that the population represents a national wealth, provided such wealth is properly employed through elimination of the negative phenomena apparent in the increasing illiteracy rate and growing pensions as a result of the shrinking segment of the productive labor force. No doubt the eradication of these negative elements, or at least minimization of their effects, is a basic condition for improving the performance of the Egyptian citizen and increasing his productivity. This requires the implementation of a number of integrated programs. The most important of these programs are: confronting the demographic problem through providing family planning services; raising family standards, with emphasis on rural areas; directing the media to make serious efforts to change social behavior with regard to procreation; concentrating on demographic education at all levels of education; elevating the role of women and encouraging them to participate in public life; giving attention to collective rural development to promote the village and transform it into a permanent population center; and establishing more housing complexes integrated both economically and socially so that these complexes may be sources of attraction and stability for the population. The issue further requires reform of the educational system in a manner responding to the wishes of the young work force, gradually meeting society's need for specialized and proficient persons and creating a balance between the needs and resources of qualified and trained work forces. It further requires medical care guaranteeing a connection between preventive and curative medicine, eliminating endemic diseases and raising the proficiency of doctors and their assistants to levels required by Egyptians, thus increasing his productivity. Perhaps the most important element on which the strategy of national action should concentrate in this field is giving attention to child-rearing, providing sound medical and social care, expanding the umbrella of social insurance, and increasing the effectiveness of the social insurance system to provide social stability to each child. [applause]

The third point in the strategic plan concerns increased production, which is a top priority of our economic goals. We cannot overcome the negative aspects we are confronting if production is not increased. Increased production will provide commodities and services, consolidate economic stability, increase export capability, and alleviate the various structural flaws we suffer from. Furthermore, it will increase our ability to further develop and absorb and utilize well annual increases in manpower. Interest in increasing production is focused not only on quantity. The government considers concentration on the quality of products no less important than increased quantity. It is the standard of quality of a product which makes the consumer at home or abroad decide to accept or reject it. It is also that which decides whether it is possible to eliminate several negative aspects which confronted development in the past period, such as the increase in the value of the unused stock and the relative weakness of the nontraditional Egyptian exports' competitiveness in world markets. Increased production under this concept would allow the use of the phrase: Made in Egypt. This is a national slogan to which we adhere and which is being endorsed, because it provides an appropriate framework for products. It is also an incentive to local and foreign investors to produce and lower their dependence on foreign sources for several commodities and services which could be locally obtained to save foreign currency.

The government stresses that increasing production is a national issue and a key to solving all our problems. It must receive the highest consideration at the national and the sector levels and at the level of production and service units, even at the level of the individual. The government believes that increasing production requires providing certain controls. These include intensifying studies pertaining to the definition of the structure of domestic demand and the factors governing the size of external demand for local products to determine the areas in need of quantitative and qualitative development of local production. Also necessary is adopting the technical methods required to improve production efficiency, reduce costs, limit waste and squandering, and increase the surplus achieved by the production units to provide the necessary protection. Otherwise, costs and prices will rise. It is also necessary to provide the production sector with the appropriate quantity and quality of accessories and manpower it needs and to give attention to production training and improvement of the vocational, living, cultural, and medical conditions of the workers.

The government stresses that great efforts have been made to achieve this goal. These efforts have led to an increase in actual local production. The total value of local production was 35.178 million pounds in 1981-82, and it is expected to reach 48.054 million pounds in 1985-86. This represents an average growth rate of approximately 8.1 percent for this period. This is a high average and more than double the annual average growth rate of the population, which is 2.7 percent. The commodities sectors have contributed to more than half of this growth. The government considers it necessary to increase support to these commodities sectors to increase their contribution to production and national income. Increased production requires the continuation of support for the infrastructure of the national economy, both materially and socially, to provide the necessary resources for the growth of commodities production in terms of consumption or exportation and to create the appropriate atmosphere for the stability of furthering and balancing the development process, avoiding any production bottlenecks in the agriculture, industry, and petroleum sectors.

There have been tangible achievements in this field due to the employment of investments totalling 23.3 billion pounds during the current 5-year plan. This led to an increase in output, and annual development rates surpassed those targeted in the 5-year plan. The growth rate in the electricity industry is 11.6 percent, as against the targeted 10.7 percent; 9 percent as against the projected 8.3 percent in construction; 7.8 percent as against 7.2 percent in production services; and 8.1 percent, the projected rate, in the sectors of social services.

The government reaffirms its continued support of the financial and social infrastructure. In the 1987-92 5-year plan, the government aims to invest 26.8 billion pounds in this area. This represents 39.1 percent of total investments envisioned in this plan.

Mr Chairman, members, allow me to move to the fourth point in the strategy, according to which scientific methods will be applied to achieve social and economic development. The government believes that social and economic development can best be attained through scientific planning, which will enable us to identify, mobilize, and exploit available resources. In this way we will be able to reduce the period needed to make progress and bring the national economy to the stage of independent development. The government reiterates that the factors necessary to ensure the successful implementation of development planning, and which the government will work to provide, God willing, can be basically summed up as follows:

1) The definition of long-term objectives for social and economic development that reflect the aspirations and hopes of the Egyptian people for progress and prosperity. The government will draw up phased programs for these objectives through medium-term plans designed to ensure their continuous and timely implementation. The government will also conduct a frequent review of long-term objectives, in light of changing circumstances in the domestic and external arenas.

2) The precise assessment of planning experiments that have already been carried out in Egypt. The purpose of this is to consolidate the positive aspects of this planning, and to eliminate any factors that might produce negative results.

3) Support for the planning apparatus, by providing the cadres needed to raise the standard of planning work, both in preparing the state's general plan and in seeing to its implementation. This includes support for the bodies that assist the ministry of planning, and for the planning and follow-up offices and regional planning bodies. The government will also seek to improve the efficiency of the national planning institute, which is responsible for the scientific research on which planning is based.

4) The development of information data to facilitate the definition of planning requirements and the handling of these requirements.

5) Adherence to the planning system in government units. This would reinforce the planning apparatus in the preparation and implementation of the state's general plan.

6) Increasing democracy in planning. This could be achieved by stressing the need to familiarize the public with the state's general plan and the results of its implementation by the broadest spectrum of organizations, trade unions, and parties. This must be done through participation, because the definition of objectives and the achievement of goals are directly connected to the citizens' daily life.

7) Linking the national plan with regional plans, in a bid to achieve a balance in the social and economic development effort between established economic sectors and those which are still in the early stages, far from the [Nile] valley. This would facilitate a reduction in the economic differences among the governorates.

Within the framework created by these factors, the overall guidelines of the 1987-92 5-year plan, which has been prepared as part of the general effort for social and economic development until the year 2000, and the results of the current 1982-87 5-year plan, are based on the following principles:

1. The provision of a more stable atmosphere, to encourage the private sector to mobilize its resources in the service of development, and to give the public sector a freer hand so that it may proceed toward the same goal.

2. The stepping up of production in all spheres — agriculture, industry, construction, services, and so forth. This also includes improvement in quality and reduction of expenses, whether in public sector units or in private sector projects.

3. The identification of unproductive resources and the introduction of programs and methods to exploit these resources, so that they may be used to their fullest extent. Waste resulting from the production processes and distribution channels should be eliminated.

4. The definition of areas that need to be technologically developed and the utilization of scientific research in the selection of the most appropriate methods for local situations and circumstances.

5. The application of the principle of self-sufficiency, through increasing exports and restricting imports.

6. The mobilization of all domestic resources in the public and private sectors to respond to investment requirements, including equipment, machines, and other industrial products. The plan aims to establish centers for technical design and encourage invention.

7. The preparation of an economic map, in light of which a regional plan will be worked out. This plan will provide for the establishment of new projects and the distribution of manpower in the various governorates. The plan will also define new integrated economic units, far from the valley.

The fifth point is related to the full mobilization of domestic and foreign resources. One of the most important objectives of our strategy, in addition to those already stated, is the full and effective mobilization of our diverse national resources, be they within the country or abroad. [The prime minister is here interrupted by indistinct voices and the speaker asks him to continue]. It is just not enough for these human, material, or financial resources to be available for society; they must be defined, mobilized, and directed toward their optimum utilization, to make the best use of all potentials.

For this objective to be achieved, it is essential for greater attention to be paid to increasing the productivity of the workforce. Due consideration must be given to the need to direct manpower toward those sectors of economic activity that consolidate development efforts. It is also essential to increase available production capability to the utmost degree possible, through the removal of the phenomena of unused potential in industry, the decline in the average crop yields, and the delays in the implementation of the land reclamation projects. Furthermore, it is also essential to increase the economic surplus earmarked for development purposes by rationalizing public expenditure and ridding individual consumption of all irregular trends. Emphasis must be placed on the need to build up the citizens' confidence in the banking system and other similar financial sectors to strengthen these sectors' ability to encourage local savings.

It is also important to coordinate the plans for the various sectors adopted by the departments working in the same domain, for example, the ministries of irrigation, reconstruction, electricity, and land reclamation, all of which are connected with land reclamation, and the ministries of housing, industry, and reconstruction, all of which are concerned with housing. This will speed up the execution of projects and will prevent resources from remaining unused for greater periods than those estimated.

In addition, it is important to raise the effectiveness of maintenance and repair work, with a view to achieving efficiency in performance and prolonging the life span of production units. It is also important to create guaranteed and well-considered incentives for Egyptians working abroad to retain their capital in Egypt, whether this capital is monetary or in kind. In this respect, it is essential to define the roles played by our representatives abroad in keeping this category of citizens in touch with their mother country and providing them with all the data and information they may need when making decisions which could benefit the national economy. It is particularly important here to eliminate all impediments in the way of this objective. In parallel with this, Egyptians abroad should be encouraged to send their capital back to Egypt and contribute to the consolidation and development of the national economy. To attain this goal, it is essential to cement the organic and steady relationship between Egypt's sons and scientists abroad and their motherland, strengthen the ties between them, to define the ways in which they wish to contribute to and serve their country.

The sixth point concerns the modernization of the organizational structure of the national economy. The government emphasizes that the development efforts necessary, if Egypt's economic difficulties are to be surmounted and our strategic objectives attained, entail the modernization of the organizational structure of production. The appropriate and sound conditions may thus be created for production units to fulfill their tasks satisfactorily, making optimum use of national economic resources, whether in the public or the private sector. This is particularly true since the development experiment in Egypt has shown attention must be paid to both sectors, because neither of them can meet the requirements of the development process on its own. The public sector, which represents the mainstay of the development process, assumes responsibility in the pivotal fields [majalat mihwariyah] through which the state attains several of its social objectives. As for the private sector, by which we mean private capital, I would like to stress we do not object to this sector's activity in any field it may enter, from large-scale production projects down to the most simple crafts. In this respect, I would like to emphasize that private capital, whether alone or in conjunction with public capital, is invited to contribute more extensively to the development process, and we say this gladly and sincerely, as we are convinced this will serve the public interest. I will now outline the government's strategy in this connection.

Regarding the public sector, and in accordance with the binding articles of the constitution — namely Articles 30 and 33 — the government would like to stress the following:

Management rules in the public sector must be modernized. This can be achieved through consolidating the principle of separation between management and ownership, to give management greater freedom of action and decisionmaking in tackling problems. It can also be achieved through the adoption of specific criteria to evaluate the performance of public sector companies. These include the introduction of measures to guarantee that the right people are appointed to leading posts, and the modernization of regulations affecting the work force by laying greater stress on training and on performance-linked incentives. The principle of reward and punishment in the assessment of employees' performance should also be more widely applied. Perhaps the most important requirements in this respect are the provision of specific regulations for each sector; the presence of outside experts at company general meetings to increase their effectiveness and ensure the products of these companies serve the consumers' interests; and proper control of these companies' economic and financial performance that does not impede their operation.

We must also address the defects in our financial strctures. This includes correcting the financing systems of public sector companies to achieve a rational balance between intrinsic revenues and loans of various terms. There must also be a continuous revision of the pricing system for public sector products. This will permit us to balance the sector's social burdens with requirements for the reform of economic organizations and units. I feel a sound pricing policy must reflect the economic cost, which is calculated on a true basis, allowing subsidies to be provided when necessary for social reasons. This is certain, and subsidies will be given in the final stage of distribution of the product. According to the same logic, our policy on wages must conform to production and performance, reflect average living expenses, and provide a dignified life for the people.

As for the private sector, and in light of Article 31 of the Constitution, the government stresses its determination to provide continuous subsidies. This is particularly true given the fact that the first 4 years of the current 5-year plan have shown its growing ability to participate in development. According to reports throughout the period, this sector has been responsible for more than half of total domestic production, and has contributed to about a quarter of our total national investment. It also absorbs roughly 75 percent of our manpower. These achievements came after the definition of a legal framework for the activities of the public sector. Law 43 of 1974 and Law 159 of 1981 on joint stock companies were part of this. To achieve this support, the government will spare no effort to create the proper climate for the private sector's growth and improvement. It will be in line with the principles of legitimacy and discipline, which will allow it to meet our expectations through greater participation in development. In addition, the government will execute all measures covering this sector's activities on two planes: the individual level and that of entities or bodies. It will standardize, simplify, and consolidate rules, regulations, and decisions pertaining to the private sector in a way which guarantees and confirms full security for it, and full confidence in it.

While the cooperative movement seeks to serve the interests of both producer and consumer, the government highlights the importance of supporting cooperatives in Egypt [applause] in various areas of agriculture, manufacturing, and housing, as well as in consumption and other service industries. We must work to solve the difficulties facing this movement and slowing its progress if we are to restore the confidence of those involved in it. Priority should be given to the problem of financing cooperative societies and providing the appropriate guarantees for their members.

Point seven deals with a scientific form of administration and the development of government services. The government stresses that greater levels of efficiency, mobilization, and utilization of available economic resources can be attained only through scientific management. That is an integrated method, which begins with planning and ends with supervision, including performance appraisals and follow-up measures. Consequently, the government is trying at all times to move the administrative machinery of the state and of our public utilities forward, despite the high cost it entails. After all, its benefits are certain, and it will cover all aspects of Egyptian life. Despite the great efforts made here, much remains to be done. In particular, we must review the organizational structure of state administration to determine its most suitable form in light of prevailing social and economic conditions. We must also continue raising the standards of performance in government departments, expand the geographic areas covered by their services, and diversify those fields where the state is active. This will bring equality among the provinces, and meet the public's needs more closely, while taking account of the requirement for accurate definitions of the posts and jurisdictions assigned to each administrative unit. The government believes the drafting of a sound and all-embracing system for the various data must be completed. There must be greater use of modern information systems, which help the decision-maker act at the proper time. They also allow him to pay attention to training so as to raise the efficiency of his workers, and to cultivate leaders, hone their office skills, and keep them up to date. This is to be done in a way that will heighten the technical and administrative efficiency of these leaders. The government will seek to improve the financial status and working conditions of employees [applause] by stressing democracy in our administrative work, as part of a clear definition of powers and responsibilities. The goal here is to prevent interference and duplication, and to allow each official to make decisions within his own jurisdiction without hesitation or evasion of responsibility. The government emphasizes that the incentive system must be developed. Regulations tying incentives in each unit to efforts and accomplishments must be drawn up as well. As I said, this stems from our faith in a policy of rewards and penalties. Thus, the government will do all it can in this field. It is quite eager for each person to know his own duties and responsibilities, and to abide by the law.

The eighth point concerns the development of education and the promotion of scientific research. Our strategy for primary and secondary education seeks to achieve three integrated objectives. These are: highlighting the principle of democracy in education, improving and modernizing our methods of instruction, and producing more effective schooling.

To attain the first goal, namely, democracy in education, all children reaching the starting age for compulsory education will be absorbed in the first grade at elementary school. [applause] All those who pass the final exams at their elementary school will be placed in seventh grade, that is, the first year of preparatory school. This is in accordance with the idea of extending the period of compulsory education to 9 years. Official language schools will grow, and their services will also be offered at the secondary level. The government will take steps to provide an appropriate number of buildings and to limit overcrowding in primary schools.

Regarding the second objective, that is, the qualitative improvement of education, the government will examine general and technical curricula at all stages and in all forms. Teachers will be trained, and their efficiency increased. Curricular and related matters will be tied to scientific and technological change. It will have a futuristic stamp to enable our graduates to benefit from scientific and technical progress, serve society, and to utilize, adapt, and develop these advances in line with the requirements of the age. We will employ the modern methods of instruction required by scientific and technological development. The intellectual capacity of students will be developed so as to train them and make them accustomed to the system of scientific research.

To make education more effective, which is the third objective, the government will take action to decentralize educational administration, while continuing to centralize the formulation, supervision, and evaluation of general educational policy; modern methods of educational administration will be introduced; up-to-date information systems will be utilized; and technical education will be geared to production and services establishments where students and their training are concerned; and those in charge of these establishments will be urged to back the educational process by setting up schools and providing technical education and material resources.

Regarding higher education, the government will act through the councils concerned with the development of university education to modernize curricula and scholastic requirements. Particular stress should be placed on concentrating on and catching up with scientific developments, encouraging the ability to use science and technology, and adapting and developing them to serve our society, so the general conditions of life may be improved, while the original culture of our homeland is maintained. The government will allocate a large proportion of available funds to university libraries; it will supply them with the most up-to-date books, reference material, and periodicals; and back university presses. The aim of all this is to facilitate the students' task of acquiring knowledge and pursuing scientific research.

The government has a strong interest in Al-Azhar, its leaders, and its curricula. It wishes to encourage the influence of Al-Azhar graduates and scholars, in Egypt and the Islamic world generally, in their propagation of an enlightened understanding of religion and life. In this way it seeks to counter the efforts of those who are trying to detach religion from its origins and roots and rob it of its spirituality. This spirituality is our support as we respond to President Husni Mubarak's call for vigilance and the great awakening.

The government stresses the importance of supporting scientific research in Egypt and encouraging those involved in it. The economic units are increasingly in need of scientific expertise in their search for appropriate solutions to their problems, as they proceed with their productive activities. Scientific research will become of greater importance and there will need to be greater use of local technical expertise, which is more aware of the Egyptian reality and is more capable of confronting the problems. This naturally does not prevent us from making up for possible deficiencies by using foreign experts or sending Egyptian research workers to research centers abroad.

For this objective to be implemented, the government stresses the need for coordination among all the research centers to ensure that available resources will be utilized to their best effect. Such coordination is also necessary in the efforts being made to link scientific research activities with the requirements of production units in the public and private sectors. Since these research centers represent a source of national expertise, the government is helping to solve the problems which they face. This means definite plans must be formulated for scientific research that will be able to translate the requirements needed to realize the social and economic development plan into a practical reality. Among the most important tasks facing scientific research in the coming stage is to utilize foreign technology in accordance with the conditions of our society and environment. This requires that the ties between Egyptian research centers and their counterparts in other countries be strengthened and promoted. If these objectives are to be achieved, there must be a review of the administrative legislation and regulations which guide the operation of Egypt's scientific research centers. There must also be further development of all phases of education. Scientific research requires that there be material and social improvement in the conditions of those who are involved in the two principal sectors. The government will work to achieve this goal, God willing.

The ninth point is self-reliance. Mr Speaker, respected brother members, one of our principal national long-term objectives is to encourage the intrinsic ability of the Egyptian economy to finance development, achieve optimum production levels with the aim of increasing exports and meeting local needs, and increase the relative proportion of capital. To do this we must focus on the production of commodities to increase their supply, particularly as this represents the only effective way of boosting exports and reducing the need for imports. This will gradually lead to a higher degree of self-sufficiency and a smaller, more stable proportion of foreign resources in the national economy. Stepping up the production of commodities does not merely mean increasing investment in this field; production and performance levels must also be improved. In this way, the structural flaws in production can be remedied.

The encouragement of intrinsic capability as a strategic line for development is linked to the building of an Egyptian technological base, which not only uses modern and applied technology, but also produces this technology. This means we must achieve a measure of technological self-reliance in the long term. Reducing the percentage of the foreign contribution to investments is a principal factor in boosting intrinsic capability and achieving stability in the development process. This foreign element in investments reached approximately 42 per cent of overall investments in the 1982/3-86/87 5-year plan. That represented a pressure factor on free foreign currency resources and on foreign credits and loans. A number of organizational, coordinational, and financial considerations have become apparent. In the earlier period of the current development plan, these prevented the best utilization of local resources to meet a substantial part of the demand for basic commodities.

Hence, the government has included in its strategy the mobilization of all local resources in the public and private sectors to supply all the investment needs that can be produced, such as construction materials, equipment, tools, and all forms of transport; and to provide spare parts, not only for maintenance purposes, but also for replacement, modernization, and refitting. The same goal is also served by according priority to prospective projects that require a reduced foreign element. Strengthening the intrinsic capability of the national economy also means finance from foreign loans must be limited to what is essential and indispensable, thus reducing the increase in the volume of foreign debts. Priority is to be given to foreign loans that entail smaller financial burdens and economic costs.

We now move to the 10th point in the strategy. It concerns social justice. Here, the government stresses the importance of the social dimension in the development process and of guaranteeing a balance in this process. In the government's view, social justice means improving conditions for the low-income groups, reducing their burdens, and narrowing the gaps in incomes. The government stresses in this connection that the principle of subsidizing essential goods will not be abandoned. [applause] Subsidies will be streamlined to ensure they reach their intended beneficiaries. Nor will the policy of free education be abandoned. [applause] The educational system will be developed to bring it more in line with the spirit of the age. A constant review of the tax laws will continue to ensure that these more nearly conform to our concept of the principle of social justice. There will also be a constant review of the minimum wage and social security benefits and measures, to achieve the same aim. All of this is in addition to the provision of material facilities which chiefly benefit the low-income groups [applause] such as low-cost popular and middle-range housing. The government plans will focus on this, God willing.

The last point in the government strategy concerns the strengthening of ties of friendship and cooperation with all countries and expanding the possibilities for peace and stability in the Middle East and the rest of the world. Egypt has chosen peace as its firm political line. Its strategy stems from the conscience of its people. The government believes the battle for peace is just as important and fierce as any battle in war. Perhaps in some ways it is even fiercer in view of the fact that the challenges are greater. The government will continue its efforts to bring about a change in the present Arab situation and restore severed ties. In this way, the spirit of joint Arab action will be restored in accordance with the Constitution's article which stipulates that the Egyptian people are part of the Arab nation. [applause]

The government also reiterates that relations with the rest of the Islamic world are not only religious in nature, but are ties of politics, economics, culture, and civilization as well. The government underlines the need to coordinate efforts and cooperation with African states to achieve security for the continent, as well as its economic and political progress.

Egypt abides by the principles of the Nonaligned Movement. It will utilize all its potential to strengthen the movement's pillars and promote its role and effectiveness. The government will focus more attention on strengthening and promoting its relations with various countries, particularly those which are peace-loving. This move is part of Egypt's efforts to achieve a just and comprehensive settlement to the Middle East crisis and guarantee the return of land and rights to their owners. Such a settlement would consequently achieve stability and progress for the region and prosperity for its peoples. As a matter of fact, the issue of world peace is indivisible. Therefore, Egypt's stand with regard to peace in the Middle East is an extension of its position on the matter of world peace.

Mr Speaker of the People's Assembly, brother and sister members of the assembly, these are the most important features of the government strategy. Let me now define some of the national economic and social policies required for its implementation. This represents the third part of the government statement. For the government strategy to be implemented in the coming stage, the government must take into consideration a group of general national policies that will be able to translate long-term objectives into medium-term and short-term ones. Citizens will then be able to experience the fruits of these plans in the form of accomplishments in various walks of life.

In formulating these general policies, the government has taken into account that they must have certain characteristics which will ensure their effectiveness in realizing the stated objectives. The most important of these characteristics dictates that the policies must be realistic, objective, integrated, and harmonious. The policies which must receive special attention from the government and the People's Assembly are the following: The investment policy, the fiscal policy, the monetary and credit policy, the regional development and local government policy, the manpower policy, the prices policy, the wages policy, and the policy of cooperation with the outside world.

Mr Chairman and brother members of this distinguished Assembly, allow me to speak a bit about each of these policies. They in fact represent the principal focal point of the government's work in light of the strategies which I have presented to you.

Investment policy. As is known, the investment policy regulates the use of resources. The goal of this policy is to define the amount of investment on a national level and then to distribute it among the various regional sectors. The investment policy is based on the adoption of various measures to ensure that national resources will be mobilized to the greatest possible extent. Such measures will also direct these resources to be used to achieve sound development criteria and promote a standard of national investment, whether it be in the Egyptian pound or some foreign currency. National investment means investment in Egypt by its citizens whether they live at home or abroad.

National investment represents a basic source of finance for development projects. It is also the way to reduce reliance on foreign loans. This policy is predicated on the need to increase the flexibility of our country's production apparatus. Such flexibility will help us reach the stage of independent development, a goal all developing economies are trying to attain. To achieve this, the investment policy must be used effectively as a tool to wipe out any imbalance in the national economy. This imbalance is responsible for draining efforts to ensure development and for dissipating any national revenues which might be gained by such efforts.

The investment policy maintains available production potential by providing the resources necessary to carry out replacement and renovation programs and to expedite the implementation of integration and expansion projects. This would serve to limit the existence of unproductive factors that might deprive society of the benefits to be gained from their revenues or which would increase the economic and social expenses associated with the development process.

It is also necessary to achieve a balance between industries which service production requirements and those which produce consumer goods. Such a balance will ensure stability and promote efforts to achieve development. A sound investment policy requires that its objectives be precisely stipulated within the state's general plan. There must be a clear definition of priorities in the distribution of investment resources in favor of economic sectors and for the purpose of investment.

The investment policy will boost those sectors responsible for commodities in terms of their capacity to be a mainstay of development for the national economy. As I have said before, this would then increase our degree of self-suffiency with regard to commodities and reduce reliance on foreign sources to meet domestic demands. These sectors must adopt modern scientific methods compatible with Egypt's current situation. They must give momentum to innovative thinking and exploit the efforts being made in the field of scientific research.

The 1987-1992 5-year plan primarily seeks to implement investment undertakings that will total 46.3 billion pounds. This is in contrast to the 39.5 billion pounds expected to be implemented by the time the current 5-year plan ends on 30 June 1987. It is worth noting that the coming plan seeks to allot 56.1 percent of its investment undertakings to the commodity sectors. It will also concentrate on the replacement, renewal, and completion [of machinery], limiting the phenomenon of untapped resources, developing the technology of the production process, and coordinating between public sector investments and those of the private sector in a way that ensures they complement each other. As I have already said, the private sector — the private capital — is called upon to make additional contributions to investment in the future economic plan.

Fiscal policy. Our objective for the future is to integrate fiscal policy with economic and social policy to further the process of comprehensive development. Perhaps the most important goal of this policy must be to reduce the overall deficit in the public budget. This requires the elimination of the current deficit and the net deficit connected with it, which is being financed through the banks. This represents the principal source of inflationary pressures on the national economy.

The government realizes this goal, namely, the elimination of the deficit, can only be accomplished gradually. However, the government is confident it can be achieved by perseverance and the sagacious use of resources. In this respect, the government's policy is based on two things: The rationalization of public expenditure and an increase in public revenues. With regard to public expenditure, the government will choose the best methods of providing services at the lowest possible cost, without affecting performance. Likewise, we will rationalize government appropriations made to the public works sector. In this way, we will respond to the constraints imposed by the public debt and subsidies credits, while ensuring that those goals for which these appropriations are made are attained. To achieve this, priority must be given to locally produced items when it comes to choosing equipment, and full use must be made of equipment held in store, to prevent stockpiling. Expenditure on unnecessary and luxury items must be avoided; the best possible use must be made of loans to reduce the burden of servicing public debts; and only limited loan agreements should be made, which guarantee a return that will make it possible to repay the loan principal and the accompanying interest. Within this framework, the government will seek to enhance production capability and eliminate waste and extravagance in public companies and bodies so they will resort less to the state budget to cover their deficit and the losses incurred by their transactions. God willing, the government will in the near future submit an integrated program to your venerable assembly on this issue.

As for revenues, the government asserts that, in its view, taxes are a regulating mechanism. On the one hand, they constitute a principal instrument for bringing in public revenues, and on the other hand, they are an instrument for economic and social intervention, in accordance with the general policy of the state. With regard to the finance-providing aspect, the government will do its utmost to improve the competence of the tax administration by simplifying procedures, improving working conditions, facilitating the work of financiers, providing a healthy climate between financiers and the tax administration, and similar measures. Efforts to make an accurate assessment of taxpayers' liability will be intensified, and the related investigative and tax-collecting processes will also receive attention. In addition, the government will ensure tax disputes are promptly resolved, and financiers' files are efficiently maintained to protect their rights; the training of tax employees will be improved, and wider use will be made of advanced data processing systems in tax departments.

The objective of the government is to make more effective use of taxes in directing economic activity in investment, savings, and consumption, to encourage exports and rationalize imports. The government will spare no effort to develop the tax system in a manner that will bring it more into line with the principles of justice.

Furthermore, some forms of consumption taxes will be replaced by value-added tax. The limits of income-tax exemptions will be periodically reviewed to keep up with changing circumstances. Perhaps the changeover to the system of unified income tax [applause] — the fairest form of income tax — represents the most important step in this direction. The government hopes to submit its proposals to your excellencies in the near future, as soon as the studies pertaining to this issue are finished. They are almost finished now. The fight against tax evasion constitutes one way in which the government will not only increase tax revenues, but achieve justice in taxation.

It is true the government is concerned to remedy the problems of the public sector, so all its enterprises will use correct economic methods and make real profits, enabling them to expand and develop their production systems. However, its goal is not merely to raise the national revenue, but also to increase the contribution of these enterprises to the public exchequer by ensuring they provide a greater proportion of the tax revenue devoted to public expenditure and by seeing tax law is properly implemented.

Mr Speaker, members of this esteemed Assembly, I now move to the third point — monetary and credit policy. Through this policy the government aims in the upcoming phase to further the efforts to develop the national economy by providing the appropriate sources of finance for economic activity and by channeling finance and credit in the right directions. The government also aims to achieve a stable economy, and ease the pressure of inflation. To these ends, the government has decided on the following measures:

1) The government will continue to reduce the level of liquidity to gradually rectify the imbalance between the increasing number of payments and the growth of the actual national output. In this way, cash and commodity flows may be coordinated to achieve a balanced national economy and a gradual elimination of the pressure of inflation. We note, in this respect, that there has been a real decrease in the liquidity growth rate since the early years of the 1982-87 5-year plan. It decreased from 39.7 percent in 1981-82 to 26.1 percent in 1982-83, 20.3 percent in 1983-84, 15.3 percent in 1984-85, and 13.7 percent in 1985-86.

2) The government's credit policy will continue to include an ongoing review of interest rates and structure with a view to encouraging saving and investment, supporting production sectors, and curbing inflation in the national economy. The early years of the current 5-year plan witnessed the application of policies designed to link interest rates and credit limits to the positive results produced by the activity in question. In the next stage, the government will examine the results of these policies and develop them further, in accordance with the priorities laid down in the [5-year] plan. It will seek to achieve optimum growth rates in gross domestic output, embracing all sectors and activities.

3) The government will work to increase the banks' contributions to financing the investments projected in the 1987-92 economic and social development plan. This will be done through loans and direct contributions, but without affecting the liquidity of commercial banks. It is noteworthy that the ideal way for the commercial banks to lend money to finance long-term investments is by buying shares with their surplus revenues. No doubt the success of this policy requires the support of the entire banking sector so these banks can efficiently play their roles in accumulating savings, granting loans and credit facilities, and providing all necessary banking services. Transactions which take place outside the banks are considered to be the most negative feature of our contemporary economy, and must be abolished. The government wishes to emphasize that it is not against moneylenders provided they observe the legal requirements which ensure that their clients' money is protected. They must also be safeguarded against any shake-up that may harm them and the national economy, and should be gradually integrated into the economy along with the rest of the establishments which play a similar role — accumulating and investing capital — such as banks, insurance companies, and the like.

4) The government will give the banks a larger role in administering international loans.

5) Emphasis will be placed on the role of merchant and commercial banks which were established under Law No 43 for the year 1974, later modified in such a way as to enlarge the role of these banks in setting up production projects or participating in them. If these banks have not performed this role satisfactorily, this may be largely attributable to the lack of favorable investment opportunities in the Egyptian economy. I differentiate here between opportunities and aspects of investment. Investment aspects are available, but investment opportunities are lacking.

6) The government will support the Egyptian Central Bank by strengthening its role in supervising and controling the banks

Emergency GCC Foreign Ministers Meeting Opens
LD061012 Riyadh SPA in Arabic 1001 GMT 6 Jan 87

[Text] Riyadh, 6 Jan (SPA) — The emergency meeting of their highnesses and excellencies the foreign ministers of the member states of the GCC, began here at noon today at the headquarters of the General Secretariat of the GCC.

Ministers End First Meeting
LD061330 Riyadh SPA in Arabic 1157 GMT 6 Jan 87

[Text] Riyadh, 6 Jan (SPA) — The foreign ministers of the GCC member-states have ended the first meeting of their emergency session, which they began this morning. They are scheduled to resume their meetings later today to complete the discussion of the topics on their agenda, which cover the most important developments in the Arab and Gulf arenas in general.

GCC States To Attend Summit
JN062003 Doha QNA in Arabic 1810 GMT 6 Jan 87

[Text] Riyadh, 6 Jan (QNA) — Rashid 'Abdallah, UAE minister of state for foreign affairs and chairman of the GCC Ministerial Council, has affirmed that all the GCC states will attend the Islamic summit conference in Kuwait. In a statement to the QNA correspondent in Riyadh, Rashid 'Abdallah said the GCC states will abide by the decision made at the previous Islamic summit conference that the next Islamic summit conference will be held in Kuwait on the given date.

In his statement at the end of the second session of the Ministerial Council emergency meeting, Rashid 'Abdallah urged all Islamic countries to be represented in the conference on a level in harmony with Islamic solidarity and to unite the stands of Muslims. He also called on all Islamic countries to participate in the conference. Answering a question by the QNA correspondent on whether the GCC states would embark on a new move to stop the Iraq- Iran war, Rashid 'Abdallah said: The GCC states will continue its moves and persistent efforts to stop this war. The GCC Ministerial Council is scheduled to resume its meetings later this evening.

KUWAIT

Two Cafe Bombers Receive Death Sentences
LD070936 Kuwait KUNA in English 0810 GMT 7 Jan 87

[Text] Kuwait, Jan 7 (KUNA) — The State Security Court Wednesday sentenced two men to death on conviction of planting bombs in public cafes in Kuwait in July, 1985. Another defendant was sentenced to life imprisonment, and a fourth accessory to a three-year term. The court found a fifth defendant innocent. The two defendants who appeared in court were Mustafa Mahmud Mustafa Sayyid Bayari, who was sentenced to death, and Rafi'Muhammad Jum'a Mohammad who was acquitted from all charges.

The three other accused were tried in absentia. They were Akram Hassan 'Abd al-Qadir 'Adas, the second convict to receive the capital punishment, (Ibrahim Sado Ibrahim al Zehika), who was sentenced to life, and Samih Mahmud Mustafa Sayyid Bayari who received a three-year term. The two who were sentenced to imprisonment were to be deported after they served the terms, the court ruled.

OMAN

'Abdallah: Iran Request for Change of Venue 'Late'
JN061431 Manama WAKH in Arabic 0818 GMT 6 Jan 87

[Text] Muscat, 6 Jan (WAKH) — Yusuf ibn 'Alawi ibn 'Abdallah, Omani minister of state for foreign affairs, left Muscat for Saudi Arabia this morning leading his country's delegation to the extraordinary meeting of the GCC foreign ministers which will be held there at noon today. The Omani minister said this meeting will discuss the region's political issues, foremost of which being the situation in the Gulf and the Iraq-Iran war. During the meeting, views will be exchanged on issues to be presented to the Islamic conference which is to be held in Kuwait on 26 January. Cooperation with other Islamic states on common interests will also be discussed.

The Omani official explained his country would participate in the Islamic conference with a delegation headed by Thuwayni ibn Shihab, personal representative of His Majesty Sultan Qabus. Answering a question on changing the venue of the conference, the Omani minister of state said that the Iranian request was late and that the Iranian Government objected to convening the conference in Kuwait only after the approval of all Islamic states on the highest levels. He said all Islamic states will attend this conference in Kuwait.

PDRY

Al-Bid, Salih Discuss Unification Progress
EA070309 Aden Domestic Service in Arabic
1630 GMT 6 Jan 87

[Text] A telephone conversation took place last night between Brother Ali Salim al-Bid, the secretary general of the YSP Central Committee, and Brother Colonel 'Ali 'Abdallah Salih, the president of the republic, Commander in Chief of the Armed Forces, and secretary general of the General People's Congress in the northern side of the country. The telephone conversation dealt with the development of unification activities by the leaders of the two sides.

The brother secretary general expressed the determination of the leaders of the southern side to maintain and develop peaceful, unifying relations between the two sides of Yemen and to consolidate unification achievements in various fields. He emphasized the importance of encouraging joint unifying activities in a bid to achieve further progress toward unification. These should include improving the possibilities of economic integration, commercial exchanges, political coordination, and the movement of citizens between the two sides serving the national struggle that is being courageously waged by all Yemeni revolutionaries and patriots for reunifying the Yemeni land and people on the basis of peace and democracy. During the conversation, joint emphasis was laid on the importance of increasing unification efforts by the leaders of the two sides and strengthening joint political stands on the current issues and developments in the Arab and international arenas.

QATAR

Iranian Foreign Ministry Official Departs

JN061935 Manama WAKH in Arabic 1845 GMT 6 Jan 87

[Text] Doha, 6 Jan (WAKH) — Mohammad Hoseyn Lavasani, director general of political affairs at the Iranian Foreign Ministry, left Doha this evening after a 2-day visit to Qatar within a tour of a number of regional states. During the visit, the Iranian official held talks with His Highness Shaykh Hamad ibn Khalifah Al Thani, deputy amir and Qatari heir apparent, on bilateral relations and developments in the region.

UAE

Al-Nuhayyan, Iran's Lavasani on Change of Venue

LD051755 Tehran IRNA in English 1727 GMT 5 Jan 87

[Text] Tehran, Jan. 5, IRNA — United Arab Emirates (UAE) President Shaykh Zayid ibn Sultan al Nuhayyan said Monday that his country does not insist on a certain venue for the forthcoming meet of the Islamic Conference Organisation (ICO). In a meeting with visiting Iranian Foreign Ministry Director General for Arab and African Countries Mohammad Hoseyn Lavasani in Abu Dhabi, Shaykh Zayid said that perhaps it would be better to postpone the ICO meet till a future time.

During the meeting Lavasani elaborated on reasons for opposing Kuwait's hosting of the ICO meet. He said that Kuwait had not demonstrated neutrality in the Iraqi-imposed war and that it was unsafe from Iraqi attacks.

Lavasani said that Iran had held direct as well as indirect talks with Kuwaiti officials in an effort to get her to revise her stance against Iran. He added that Kuwait remains as unfriendly as ever and is demonstrably inhospitable towards Iranian nationals there. Other neutral countries are ready to host the ICO meet and a change in venue would increase the chances of the success of the conference, Lavasani said.

YAR

Yemeni Chiefs of Staff Meet, Discuss Unity

JN070709 Sanaa Domestic Service in Arabic
0430 GMT 7 Jan 87

[Text] A meeting was held in Ta'izz yesterday between Lieutenant Colonel 'Abdallah al-Basyuni, chief of staff and member of the Standing Committee of the General People's Congress, and Colonel Hadi al-Qasim Tahir, YSP Central Committee member, first deputy defense minister, and chief of staff in the southern part of the homeland. During the meeting, the two sides discussed joint action on unity between the two parts of Yemen.

People's Congress Outlines Achievements, Goals

JN060951 Sanaa Domestic Service in Arabic
1200 GMT 5 Jan 87

["Text" of statement issued by the YAR General People's Congress Standing Committee at the end of its first ordinary session in Sanaa on 5 January — read by announcer]

[Text] In the name of God, the merciful, the compassionate. And hold fast, all together, by the rope which God stretches out for you, and be not divided among yourselves. [Koranic verse] Against the backdrop of historic changes made by our struggling Yemeni people, our developing democratic process led by its pioneering embodiment the General People's Congress, free democratic discussion symbolizing dynamic popular participation in the democratization and developmental effort and Yemeni unity, and public celebrations to mark the completion of the great Ma'rib Dam project, the General People's Congress Standing Committee held its first ordinary session for the second electoral stage at its conference hall in Sanaa from 3 January to 5 January 1987, under Colonel Brother 'Ali 'Abdallah Salih, president of the republic, commander in chief of the Armed Forces, and secretary general of the General People's Congress.

A report by the brother secretary general of the General People's Congress was read at the opening meeting of the session, outlining the various activities and components of the General People's Congress in the interval between the two sessions, and explaining its organizational functions. The report reviewed issues and developments in the national, Arab, and international arenas. Among the themes that featured prominently in the report were pioneering democratic practices in the interest of general development, advancement of the individual, the community, and modern government. This is to be done in keeping with the aspirations of the masses and the nationalist line of realizing the objectives of the National Charter and the political, economic, and social aspects of the September Revolution. Popular involvement should be affirmed and national unity should be fostered and deepened in pursuit of these goals. Democratic practices should nurture the principles of the National Charter, as it is an impregnable bulwark for our people. Our aspirations to a bright future as envisaged by the glorious September revolution should be realized. The report took note of the importance of this session, coming as it does, 4 months after the third general conference of the General People's Congress (GPC), held in Ta'izz from 25 August to 30 August 1986, and which was a remarkable success, marking a milestone in the democratic march of our people, and underscoring the will of the masses under the slogan of people's participation on the road to democracy, development and Yemeni unity. The resolutions and recommendations of the GPC have propelled further great changes. The report also took note of the critical economic conditions and challenges under which this session was held, which required redoubled efforts on the popular and official levels.

During this session, the Standing Committee made a thorough review of a good number of issues and then formed special follow-up committees. The work of the Committee was a success. Concluding its deliberations, the Committee registers its high appreciation for the brother leader, secretary general, and president's clear and comprehensive report. The report featured brilliant instructions on future political action in various areas of overall development, and emphasized the need for organizational work at the grass root levels of the GPC. The Committee also applauds the efforts of the Standing Committee and the secretary general to enhance the rank-and-file capacity to contribute to the decision-making and the economic plans, and to strengthen democratic practices. In this first ordinary session, which followed our people's celebrations to mark the 24th anniversary of the immortal September revolution, accompanied by the inauguration of numerous projects, the Standing Committee registers its appreciation for the continuing successes of the revolution and the pioneering role of our wise political leadership in establishing distinctive democratic practices and major developmental accomplishments as the revolutionary harvest of our people's protracted struggle. The Committee also applauds all the contents of the important letter sent to the government by the brother leader the secretary general, and acknowledges the government's efforts in giving shape to the letter's contents in accordance with a timetable and recommendations and resolutions of the third general conference.

The Standing Committee noted with satisfaction that all the members of the GPC joined forces with the general public and the executive branch of government to realize the set goals. The Standing Committee also noted that economic and social development projects have been completed in keeping with the objectives of the immortal revolution and the principles of the National Charter.

After discussing developmental and economic issues, the Committee highly values the coherent relevant plans, based on the National Charter, which calls for gradual and progressive reliance on indigenous economic resources. The Charter takes into account the development priorities dictated by the needs and aspirations of our people, particularly the expansion of agricultural food produce and industries based on local raw materials in terms of our agricultural, industrial and extraction resources. The Committee highly values the endeavors of our political leadership in building an industrial base, which is the solid foundation for overall development, and working for enhancing the wellbeing and development of our people. The Committee acknowledges the positive results of our development plans and the work done to secure the local technical and manpower requirements of the high aspirations and great goals of our struggling people.

The Committee stresses the importance of programmed efforts and a hard-headed practical approach to preparing and implementing the third 5-year development plan. This plan is designed to boost and improve the quality of production, so it may contribute to promoting local production and the services sector, with the two keeping abreast of each other, and to meet the development in services production. The 5-year plan also emphasizes boosting animal and plant production, the establishment of industrial establishments based on local agricultural products, giving preference to such projects as may assure our country food security and increased flow of locally-produced goods to the local market. The Standing Committee stresses the importance of feasibility studies before building new factories so as to achieve maximum utilization of our natural resources, and gearing the products of these resources to serve the development process and progress and affluence of our people. This can be accomplished through a harmonious relationship among all economic sectors and work to boost productivity by making the most of the existing production potentials, their development and enhancing their technological efficiency, by training national technical manpower. The Standing Committee views the government's economic rationalization measures implementing the resolutions and recommendations of the third conference of the General Congress as an effective approach to realize a sound national economy in the face of international economic variables, buttressing our economic independence as a prerequisite for a comprehensive independence. The Committee further emphasizes that the economic projects completed in our country, foremost among which was rebuilding the great Ma'rib Dam and initiating oil production should lead to ambitious economic strides beneficial to the progress and affluence of our people in terms of economic development and food security. The Committee appreciates the efforts being made on behalf of supporting and guiding the public supply corporations to facilitate their task of making basic foodstuffs available throughout the republic at reasonable and standard prices. The Committee stresses the need for following up the sound checks to monitor merchant excesses, using all possible means to spread awareness among the citizens and to secure unimpeded availability of basic commodities.

A revival of Yemeni unity is a priority concern for our people across the entire Yemeni homeland and one of the goals of the 26 September revolution. The Standing Committee values all sincere efforts to achieve a reunited Yemen and appreciates the secretary general's affirmation in his report that determined efforts would be pursued on that road, peacefully and democratically, and in accordance with agreements concluded by the two leaderships of the two parts of Yemen. It also highly values the sincere unionist line of our political leadership on the distressing 13 January 1986 incidents in the PDRY as well as the efforts to deal with and contain their consequences. This includes the burdens which are still being borne by the northern part of the homeland — the line which typifies our responsible and earnest policies. In this session, the Committee reiterates the importance of the unionist steps already taken, and the need for a follow-up of all the agreements between the two parts of the homeland, resolutions of the Supreme Yemeni Council and the joint ministerial committee, as well as the unity committees. The Committee also stresses the importance of contained unionist dialogue between the leaders and officials of the two parts of the homeland in order to forge effective unionist measures meeting the aspirations of our people for Yemeni unity by peaceful and democratic means.

The ordinary session of the Standing Committee was held amid highly complex regional and international circumstances, making the challenges facing the Arabs and the Muslims more formidable. With the approach of the fifth Islamic summit, the Committee notes the hopes which the Arab and Islamic countries attach to the conference as an opportunity for leaders of the Muslim world to responsibly address all the challenges threatening Islamic solidarity, and to work toward the implementation of previous Islamic conference resolutions, and to seek avenues for expanded cooperation. The Committee also discussed current Arab and Islamic developments and the serious challenges facing the Arab and Islamic nations. Proceeding from our country's policies favoring restored cooperation and solidarity, the Committee emphasized that overcoming the present distressing state of Arab affairs lies in tackling the causes and factors which were responsible for intra-Arab differences. This will not be possible short of pooling the efforts and resources to confront the machinations and plots concocted against the Arab and Muslim nations.

Regarding the Palestine question, the Arabs' top priority cause, the Standing Committee stressed our country's continued support for the Palestinian people's just struggle and the Palestinian revolution represented by the PLO, the Palestinian people's sole legitimate representative. The Standing Committee is also concerned about the promotion of all plans aimed at reinforcing the PLO's unified struggle in order to strengthen its militant vitality in defense of its legitimate goals. The Standing Committee is following with great concern what is happening in the Palestinian camps in London and the regrettable fighting between the Arabs in the Amal Movement and the Palestinian Camps — fighting from which only the Zionist enemy benefits. The Standing Committee also stresses the need to put a quick end to the fighting, safeguard the Palestinian and Lebanese blood, and stand in one rank to confront the Zionist enemy.

The Standing Committee discussed the dangers and damage caused by the continuation of the Iraq-Iran war. The loss of blood and lives and the squandering of the two peoples' potentials was also discussed. The Committee stressed that only the forces hostile to the Arabs and Muslims, foremost of which is Israel, are benefiting from the continuation of this war. In their upcoming meetings, the Arab and Islamic leaders should assume the responsibility of taking unified action to end this war with all means and open the way for negotiations to achieve the two sides' interests and rights. The Standing Committee appreciates fraternal Iraq's call to end this war. It also stresses our country's adherence to international charters, including the Arab League Charter, the ICO Charter, and the UN Charter in accordance with the firm principles of the immortal 26 September revolution as well as to the contents of the national charter. It also stresses our country's concern about supporting the Nonaligned Movement and adhering to its principles and opposing international military alliances and blocks. It also affirms its support for the liberation movements in the world which are staging a struggle for the sake of their peoples' liberation and independence. The Standing Committee also appreciates all the efforts being exerted to ease international tension, encourage trends toward world peace and security, and save mankind from the dangers of the nuclear arms race.

As it concludes its session, the Standing Committee renews its assurance to our people that it will continue working to develop democracy and the economy within the framework of the goals of the 26 September revolution and the principles of the national charter epitomizing the hopes and aspirations of our genuine people. God grant us success.

[signed] The Standing Committee

Salih: Evacuees From PDRY 'Big Burden'

PM061419 London AL-TADAMUN in Arabic 27 Dec 86 pp 8, 9

[Interview with President 'Ali 'Abdallah Salih by Ahmad Hamrush in Sanaa; date not given]

[Excerpts][Hamrush] A visitor to Yemen would notice significant social, cultural, and building developments. What are, in your view, the main reasons for this?

[Salih] Despite the weight of the legacies of backwardness inherited from the toppled imam's era and the great burden they put on the eternal 26 September revolution, the revolution, with its limited resources and with the capability and ambitions of our people, has managed to achieve all this social, cultural, and building development. As for the reasons, they are many, but most important among them are the firm establishment of security and stability, the achievement of national unity, the adoption of a planned and programmed method of development, and the achievement of popular partnership in development and decision-making. [passage omitted]

[Hamrush] How are relations with the south, that is the PDRY, following the incidents at the beginning of this year?

[Salih] Contacts and meetings are continuing in order to restore unity and solve the problems suffered by the south following January's regrettable incidents.

[Hamrush] Does the occasional presence of the former [PDRY] President 'Ali Nasir in Sanaa represent a particular stand on your part?

[Salih] Any citizen from the south is at home and among relatives in the north, but evacuees from the south represent a big burden, as they exceed 30,000 in number. We are making efforts with our brother officials in the south and the evacuees to solve this problem peacefully and democratically in order to ensure the return of evacuees to their homes.

[Hamrush] How do you view the Gulf war? What is your view now that the secret relations between the Iranian Government on the one hand and the U.S. Administration and Israeli Government on the other have been exposed and confirmed?

[Salih] We view the Gulf war with extreme regret because it is shedding the blood of two neighboring Muslim peoples, in Iraq and Iran, and also exhausts resources and capabilities that should have been directed against the real enemies of the Arab and Islamic nations. For our part, we did call and still call for reason to prevail and for an end to this wasteful war. We have declared our support for fraternal Iraq because it has responded to all mediation efforts. As for the participation of the United States and Israel in supplying Iran with arms, it is not strange because the U.S. Administration and the Zionist entity seek to fuel the war, fragment the Arab and Islamic capabilities, and tear the Arab body apart.

[Hamrush] What is the right way to support the Palestinian revolution, which is considered the central Arab cause? How do operating in Egypt, and in overseeing their operations to ensure that their transactions and financial positions are sound. It will also be the Central Bank's task to protect the rights of their clients, and verify that these banks are working in accordance with the banking laws and the Central Bank's regulations on the goals of the monetary and credit policy, in its capacity as the primary authority in charge of implementing the state's monetary and credit policy.

I will here again depart from the text of the government statement. The economy minister will explain the details of these issues later. I would just like to say the absence or lack of this role has created problems for many — I'm sorry, some not many — of the banks which operate in Egypt. We are now trying to deal with these problems. Protection is therefore better than treatment. In other words, it is better for us to prevent these problems from arising rather than allowing them to preoccupy the time and energy of all of Egypt's banking and economic institutions as they seek to confront and deal with them.

The government emphasizes that the success of the monetary and credit policy is linked to its integration with other investment, trade, and financial policies. They must all be formulated to serve the goals of the national plan. This is what the government will seek to achieve, God willing.

Mr Speaker, honorable members, I will now discuss the fourth policy; namely, regional development and local rule. We have previously stressed the importance played by the regional factor in the development process, as it is the way to achieve prosperity for all citizens. It is known that Egypt is divided into populated and unpopulated areas, the latter representing approximately 93 percent of the country's total territory. The populated areas themselves are further subdivided into advanced regions and those less advanced.

The last 50 years have witnessed a migration of people and economic revenue from the less advanced regions to the more advanced ones where a more modern infrastructure, development projects, and services are centered. The government believes this situation must be corrected by utilizing previously unexploited Egyptian land. This would serve to deal with the growing population and take into account considerations of national security. These considerations decree the necessity of a human presence on these lands to strengthen the bond between population and territory. They also decree that the benefits accrued from the development process must be shared to the extent possible by citizens in all the various regions. This is particularly true in light of the fact that those areas most attractive to people have begun to suffer from signs of overpopulation [al-takaddus] and the attendant emergence of problems associated with environmental pollution and effects of the natural economic law of diminishing marginal returns. There is also the possibility these regions will be faced with a growing problem of unemployment. In this regard, the government emphasizes the following points:

1. It is necessary to conduct a survey of the potential of our country's various regions and define the possibilities for their future growth. The results of such a survey must then be compiled to define a suitable pattern of growth for each region that will benefit our citizens and nation.

2. It is necessary to redivide the Republic into planning provinces on an economic basis, providing for the integration of each province based on the availability of existing or potential factors of growth within it. When carrying out this redivision, complete abidance by the existing administrative division will not be required, for this has proved to be insufficient in development planning.

3. It is necessary to prepare the state's general plan on a regional basis in addition to incorporating the sectorial system now in force. An economic plan must be formulated for each region which will create a certain degree of disparity in their average growth rates to limit the people's attraction to traditional areas and redistribute the population in a way that will serve regional development. [applause]

4. It is necessary to strengthen the structures for local rule both financially and functionally. This will enable them to play an effective and unobstructed role in regional development, as well as in the economic and social development of local societies. This is particularly true in the fields of land reform and fodder production. It also applies to the provision of alternatives for red meat, transporting agricultural crops from areas of production to the consumers, and family planning.

5. It is necessary to develop an organizational framework that will guarantee a speedy advance along the road of regional development. This can be done by placing the branches of the central organization responsible for general mobilization and statistics in the various governorates under the regional planning authority. They will then be able to compile reports that will aid the planning process.

This objective can also be reached by [word indistinct] representatives of the public sector to membership of the Higher Committee for Regional Planning. This committee will then become involved in economic planning and in expanding the role of the structures for local rule by approving the projects proposed by the central bodies in the constituency of each governorate. This will serve to guarantee coordination between the central government and the various local governments in the fields associated with economic development. The systems responsible for the evaluation, follow-up, and supervision of relations between the central government and the governorates and between the governorates and their local units must be strengthened.

Mr Speaker, honorable members: I will now move on to the fifth national policy, that of manpower and training. I have already referred to the increase in the rate of population growth in Egypt and to the negative aspects of the demographic situation in general, in terms of the rise in the average population below working age and in the very aged, the rise in the illiteracy rate, the poor geographic distribution of the population, and other negative aspects.

A sound manpower policy requires that we develop the various segments of our population in a way that ensures that, instead of being an obstruction to development, the population will be altered to serve as one of the main drives for development. This can be achieVed as follOws:

1. By implementing a comprehensive demographic policy to reduce both the rate of population growth and the rate of state support, taking into consideration such indirect factors as the effect of the rise in the economic standard of the Egyptian family and the increased participation of females in economic activity.

2. By focusing all efforts on the gradual elimination of illiteracy. This can be done by taking precautionary measures, such as incorporating all children within the compulsory education system and putting an end to efforts at evasion during this period. It can also be effected by adopting remedial measures, such as eliminating adult illiteracy, focusing initially on illiterate workers in economic units and linking their education to some kind of incentives, to be agreed upon.

3. By reorienting training and education in general and university education in particular to direct it totally toward service to the actual needs of our national economy. The government emphasizes the importance of manpower planning as an exemplary means of assessing the human resources available in Egypt and of channeling them toward the best possible alternative use by harmonizing them, in terms of both quantity and quality, with the demand for them both domestically and abroad. In this regard, it is necessary to prepare a thorough policy for manpower training, based on a number of principles. The most important of these are:

a. To define clear goals for the policy of training that would make it possible to derive the greatest benefit from the resulting expenditures. This is an important investment in the human element. The general goal of the training policy is defined as action intended to realize the desires and inclinations of individuals to engage in the kind of work they choose and, at the same time, to achieve planned production goals on both the sectorial and regional levels.

b. To link the policy of education, as we have already said, with future manpower needs. Attention should be given to technical and higher education, to increase the utility of education in serving the development process.

c. To provide the requirements necessary to ensure the success of training programs. These include equipment, tools, and instructors. The necessary educational methods should be provided to raise training efficiency and to continuously renew vocational skills.

d. To counter manpower shortages in some professions by replacing individuals who transfer to other professions or leave for abroad. This involves the preparation of manpower planning scales by which it will be possible to define the number of workers in each job category and to determine the amount of money needed for relevant training programs.

e. To refine the capabilities of workers in all professions, particularly in those in which the means of production are subject to rapid technical development. This should be done so a shortage in human competence will not prove an obstacle to the use of such means, given their importance.

f. To lay down specific criteria for the enlistment of workers in training programs that would ensure the worker's interest in and positive interaction with these programs, to reflect positively on his performance standard after training.

g. To ensure the graded development of training programs in accordance with the trainee's professional level. The ideal number of hours for training throughout the productive life of the worker should be established for each profession.

h. To continuously assess all training programs to identify and resolve the problems they face, thus increasing training efficiency.

Mr Speaker, brother members of the distinguished Assembly: I will now move on to the sixth policy, that of prices and the cost of living. The issue of prices is one of the important issues affecting the interests of the masses because of its connection with the standard of living and fairness of distribution. The Egyptian society is facing the problem of a continuous increase in the prices of goods and services. This is attributed particularly to the inability of domestic production of some basic goods to meet local needs. A number of factors have interacted to produce this result. Perhaps the most important are the imbalance between the rate of population growth and the rate of increase in resources, and the inflationary pressures generated by the huge public expenditure on development efforts, particularly in the infrastructural sphere. The results of these development efforts will only appear after a period of time that may prove somewhat long. In addition to this is the additional purchasing power generated by remittances from Egyptian workers abroad, despite the undeniably positive effects of such remittances, and the great increase in money supply and in the use of high-cost credit facilities to finance imports. These are the most important reasons for the increase in prices.

The government once again stresses that increased production is the only way to resolve the problems of the Egyptian economy, such as inflation. Increased production is an indispensable goal of national work in the coming stage.

In the short and medium term, the government confirms it will ensure a sustained supply of basic consumption goods to meet increased demand, with the aim of stabilizing prices. To accomplish this a number of actions are needed.

1. There must be coordination between agriculture, industry, and transport sectors to ensure supplies reach the markets in accordance with the plan. Coordination between foreign trade, finance, and foreign exchange departments is also needed to ensure the timely importation of basic consumption goods at low prices.

2. Pricing policies for agricultural commodities should be revised continuously to maintain a balance between the interests of the individual producers and society as a whole. [applause] This revision is also needed to ensure that the structure for agricultural production meets the demand for food and other commodities.

3. Some local consumption needs will be met through government-owned marketing channels and without the services of middlemen. This was done recently when a 2,000-acre area, producing 60,000 tons of vegetables per year, was designated as a source of supplies at reasonable prices to state-owned cooperative markets in Cairo and Alexandria. Similar arrangements were made with other companies producing poultry, eggs, and veal. One of these undertakings is known as the National Project for Calf-Breeding, with which you are familiar, and in which some of you may have invested.

4. Mills should be utilized fully to produce high-quality flour domestically, rather than importing it. Fully- and partially-mechanized bakeries should be encouraged. Rice-hulling facilities should also be utilized fully.

In addition to these actions, directed mainly at the supply side, the government affirms it will maintain a price policy combining several features. The system of compulsory fixed prices will be maintained for basic, and primarily subsidized, consumption goods. Price controls based on limited margins of profit will also remain in effect for certain goods imported by the private sector. Such goods are specified in several ministerial decrees, chiefly Decrees No 120 and 121 of 1986. The Pricing Department of the Supply Ministry will oversee this process. Other prices are to be determined through [government-producer] coordination. this will apply to locally produced goods for which a fair margin of profit is needed to sustain high quality while ensuring the product is distributed efficiently and at reasonable prices.

Finally, there are other commodities whose prices will be determined by supply and demand, to promote production in terms of quantity and quality. The government would intervene in the marketing of these products only when necessary and to ensure prices remain reasonable. this applies, as you know, to vegetables and fruits.

The government underscores the need for justice in distributing subsidized basic consumption goods. Such goods will be distributed through ration cards to those segments of the population in need of subsidies.

The government's policy is to subsidize only finished products, rather than components. This is to ensure the real cost of every product remains calculable, which will enhance competitiveness.

In addition to all these measures, the government stresses there are numerous ways to lower the high cost of living without resorting to subsidies. Among these I note:

1. Reducing production costs by combating inefficiency, particularly in the public sector;

2. Lowering the cost of imports by strictly determining imports at the beginning of every year. Imports should be planned bearing in mind domestic production and the need to build up reasonable, strategic stocks. This can also be accomplished by improving purchasing policies through direct contact with producers' or exporters' associations in the exporting countries. The aim is to obtain imports at the lowest possible prices;

3. Stressing agricultural marketing. Studies have determined the distribution of agricultural products is remarkably expensive and a considerable percentage of the final price reflects these costs. There is a need to lessen waste in packaging and storage and to reduce the number of middlemen involved. This calls for improving the performance of private sector and cooperative marketing units.

Mr Speaker, brother members, I will now turn to the seventh policy, that of wages. Any wage policy has a number of social, economic, and political implications. With this in mind, the government will work in three major directions:

1. It will act to increase the relative importance of real wages within the structure of real national income. This means a more just distribution of income in favor of those on the lower end of the spectrum. To accomplish this, the government wil institute a continuous review of the minimum wage and the limits of tax exemptions on salaries in conformity with the requirements of livelihood. [applause] We will also try to preserve the purchasing power of wages. The government will see to it that wages keep pace with prices, and that salaries of government and public sector employees improve [applause] with each increase in productivity.

2. The government will develop the incentive system to heighten its effectiveness. It will be guided by the need to link the overall concept of wages with output and productivity. This requires we establish criteria to measure the quality and quantity of our national productive effort for both goods and services.

3. The government stresses the need for a constant review of the incomes of all salaried employees, civilian and military. This is in appreciation of their role, and in recognition of their service to society as part of its general philosophy. [applause]

Mr Speaker, brother members, I will now address the last national policy, governing our dealings with the outside world. Our balance of payments has suffered from structural weaknesses for the past 30 years. This is apparent from the continued clear deficit in the balance of current accounts. The shortfall amounted to about 1.831 billion pounds in 1981-82, and to approximately 1.5882 billion pounds in 1985-86. We consider this a reflection of the structural flaws in our national income, which led to an imbalance between supply and demand for goods and services on the local market. Therefore, the government emphasizes that the starting point for a solution to this problem lies in the rectification of these internal structural flaws. It will be done by subsidizing commodity sectors and strengthening their export capabilities in the manner I already mentioned. Our problem with the balance of payments is basically represented by the failure of import-export dealings. The government will do its utmost to increase exports in the future by stepping up investment in those activities designed to promote exports and expanding projects geared in that direction. It will focus on the growth of nontraditional exports through the introduction of a series of incentives and other measures to develop and diversify exports, and to lessen the prominence of raw materials, as well as petroleum and its by-products. We have seen what happened to our income as a result of dependence on petroleum exports.

The government's policy for developing industrial exports is based on the following: It will focus on exports from the engineering industry, while paying attention to such traditional manufactured exports as textiles, yarn, and ready-made clothes. It will also concentrate on food processing, and will strengthen the role of this industry in our exports. This will be accomplished through attention to production standards that will guarantee the quality and competiveness of its output. The government will give further encouragement to the private sector to set up small plants to produce furniture, leather goods, and building materials, and to play a more active part in increasing its exports of these goods. We will take note of trade agreements, and will work to convert them into long-term accords and contracts. Furthermore, the government will expand the conclusion of equal trade deals as a way of promoting nontraditional exports. In addition, the government will devote itself to regional and international marketing activities.

On the other hand, the government is attempting to work out a group of innovative policies to multiply exports. This includes the planning of production lines in the major public, private, and mixed sectors to manufacture commodities tailored to the tastes of the European, African, Arab and other markets. Egypt will reach agreements beforehand with importers in these areas on the specifications for these goods.

The government will also hold fairs for Egyptian products that can be exported to states with which Egypt has great balance of payments deficits, to narrow the gap between our imports to and exports from these states. The success of these policies require they be a part of a national plan for export that seeks to reduce the cost of exports and to increase their volume, providing all facilities necessary to the achievement of this goal. These facilities include support of the Bank of Egypt for the development of exports, its provision of the necessary funds, and its insurance of exporters against export risks. They also include the establishment of funds to support and develop nontraditional exports, the provision of appropriate incentives for exporters, the improvement of credit facilities available to them and the supply of the necessary insurance for that credit.

In terms of restricting commodity imports, the government's policy depends upon strengthening the productive capacity of our national economy to replace imports. It will do this by:

1. Strengthening and developing those industries that produce goods that do not currently satisfy local demand.

2. Replacing imported production requirements with those locally produced, while ensuring this will not affect targeted production levels in the national plan in terms of either quantity or quality.

3. Mobilizing all local resources in both the public and private sectors to ensure all investment requirements that can be are produced, including tools, machines, means of transport, and so forth, and to provide spare parts for maintenance purposes.

4. Reducing the percentage of foreign financing in the 1987-92 development plan. This means priority must be given to projects that require a smaller foreign investment share.

5. Developing the systems by which commodities are temporarily released from customs and the drawback [previous word in English], and simplifying the measures used in the two systems.

The government emphasizes the need to increase the surplus in the balance of invisible transactions with the outside world by incerasing revenues and decreasing payments in this balance. In the area of revenues, attention will be focused on promoting tourism by providing tourist services with appropriate prices and by diversifying tourism programs to include tourism with cultural, religious, health, and entertainment orientations. Publicity and marketing campaigns will be launched internationally to this end. This is in addition to the encouragement of investment in tourist projects on Egypt's coasts and in our new development areas. Efforts should be made to encourage remittances by Egyptian workers abroad through measures and incentives... [Sidqi pauses amid background noise] I am unable to continue. I don't know how to continue. Give me a chance and I will finish soon. I will finish soon, I will finish soon. We have 5 minutes; this means we will come to the end very soon. The most important of such incentives would be the creation of special investment schemes and of interest rates to be applied to such remittances. It is worth noting in this regard that the flow of saving deposits, capital, and tourism to Egypt depends primarily upon the establishment and guarantee of a climate of confidence and stability in the Egyptian economy. The Egyptian economy, thank God, is in good condition. The government will not hesitate to exert every effort for this purpose, and to intensify its diplomatic efforts to secure permission for public sector banks to open branches in the Arab states.

The government also emphasizes its interest in pursuing and completing studies on development of the navigational course of the Suez Canal to attract additional world maritime activity. The prospects in this respect are unlimited, thank God.

In the sphere of invisible payments — invisible payments are those other than commodity exports and imports — the government emphasizes the need to rationalize public expenditure abroad, which includes travel expenses on official missions and other governmental expenditures abroad. The government also emphasizes the need to deal with the existing multiplicity in rates of exchange. This must be done gradually, to help correct the existing deficit in the balance of payments and to provide a sufficient incentive to promote both visible and invisible exports, the most important of which are the remittances of Egyptian workers abroad through normal channels. What I mean by normal channels are the banks. This will help to better channel and invest these remittances.

The government also emphasizes that the unification of exchange rates on a realistic foundation and within the framework of a studied system represents an objective that must be achieved in the medium term. This is also a way to foster stability in Egypt's monetary and financial markets and to create a suitable climate for investment and other activities necessary for development.

The government realizes this can only be achieved through planned, gradual steps, and only if the basic requirements are available. The most important of these requirements may perhaps be the rectification of existing flaws in the state's general budget, the balance of payments, and the supply and demand for money. Each step must be accompanied by a number of measures to confront possible side effects of the standardization process, particularly its effect on the cost of living.

In the area of capital transactions with the outside world, Egypt has obtained loans from abroad. These loans have contributed to the creation of several projects and to the confrontation of the problem of unused industrial capacity by providing the funds for importing production requirements and closing the gap between local demand for and local production of several commodities, particularly foodstuffs. The loans have also contributed to a strengthened balance of payments.

An assessment of the benefits of foreign loans in the past 10 years indicates that their incorporation within our national income has been accompanied by some factors that limited their benefits and that placed burdens upon our society. These burdens include an increase in the rate of interest on some loans, the rise in the prices of commodities financed by these loans, and hikes in the price of shipping these commodities, in comparison with prevailing world prices. This is in addition to the condition stipulating that a tangible percentage of certain loans must be allocated to the financing of foreign consultative services, despite the fact that these services were not needed at times because of the existence of similar establishments in Egypt. These loans generated commitments that led to the absorption of a large part of the state's revenues in foreign currency. Furthermore, some of these commitments were invested in projects that contribute nothing to the provision of foreign currency that would asist in the payment of loan instalments and interest. In this regard, the government seeks to lessen reliance on foreign loans without hindering development efforts [applause] and to rectify the structure of our loan system in favor of less costly loans. It will also seek to obtain better conditions, to deal with those factors accompanying the use of loans that increase their overall cost. In addition, it will act to provide controls that can guarantee additional benefits from the loans. Furthermore, the government will give attention to the study of Egypt's foreign debt and its existing burdens. It will also follow up on foreign commitments, so it will be ready to take the necessary stands on these commitments at the appropriate time, thus avoiding a recurrence of the national economy's current problems, whereby the burdens of servicing foreign loans are draining a large portion of our foreign currency revenues and consequently obstructing our development efforts. To achieve this, the government will act to channel foreign debts. The government is currently studying the feasibility of establishing a special, independent institution with an appropriate organizational framework whose basic tasks will be to consider applications for foreign loans within the context of the country's ability to service the loans, discuss the ways in which the foreign loans will be channeled, propose the limits on general borrowing each year, and coordinate between the Pubilic Debt Department and the General Economic Department. [applause]

In the field of direct investment, the government stresses the positive role of this investment in bolstering development efforts. The government will encourage this investment and will seek to increase its benefits by attracting it to activities and programs that reflect the priorities of the plan and the interests of both our society and of the investors themselves.

It is worth noting here the talks in which the government is engaged with the IMF and the World Bank to secure additional sources of foreign currency for our national economy and to reschedule our debts, the service of which, both principal and interest payments, constitutes a huge burden on the balance of payments. The government would like to assure the esteemed assembly that during these talks, the government is pursuing Egypt's interest first and foremost, and will not accept any conditions incompatible with this interest. [applause] The government would also like to point out that it has recently sensed an understanding of its viewpoint in these international institutions and support from most of the creditor states for its attempt to achieve further development for its people. These things reflect confidence in Egypt, its economy, its system and its leadership.

Mr Speaker, brother members of the Assembly, I have thus concluded the third section of the government statement, that dealing with general national policies.

The fourth section of the statement will be devoted to specific policies and programs in various sectors. In consultation with my honorable brother, People's Assembly Speaker Dr Rif'at al-Mahjub, it was decided it is better such policies and programs be left for their excellencies the ministers to present to your venerable assembly, in accordance with their areas of expertise. The ministers will make their presentations to the assembly's specialized committees.

Accordingly, I will give only a brief account of the various sectors involved in this portion of the government statement. As I said, the competent deputy prime ministers and ministers will make their presentations to you in accordance with their specialties. A 200-page document detailing these policies will be available to your assembly immediately after this session.

However, because of the importance of the subject, and to allow for a debate on the issues involved and for a better presentation of the government's policies, the responsible ministers, as I said, will give the necessary presentations.

Some 18 sectors are dealt with in this part of the policy statement: Agriculture, industry, construction, etc. The report on each sector is divided into three chapters.

The first chapter deals with the accomplishments achieved in each sector in the first 4 years of the plan: 1982-83, 1983-84, 1984-85, and 1985-86; that is, up until 30 June 1986. The accomplishments involved, as you will see, and as the president has told your venerable council, are remarkable and would earn us the respect of any developing or developed country.

Despite these accomplishments, there are still problems facing every sector. This is true with regard to industry, agriculture, construction, electricity, oil, etc. All of these problems are reviewed in the second chapter of the sectorial reports. Thus, following the achievements, every report discusses the problems of each sector, regardless of whether these problems originate inside the sector itself or are due to external developments. In this way, the report maintains a balanced character that can serve the goal of seeking the truth.

Following the review of the achievements and problems of each sector, the government's plans for dealing with these problems are addressed in the third chapter of the sectorial reports. The government will try at least to alleviate, if not to eliminate, these problems. As I told you, the elimination of these problems should take place gradually, on the basis of incremental but comprehensive plans. This is the only scientific approach to solving the problems. [applause]

The People's Assembly committees will be invited as soon as possible to hear the ministers' reports on the achievements of the last 4 years, the unresolved problems, and the government's plans. Not only the ministries but the government as a whole will be responsible for the implementation of these programs, all of which have already been discussed by the cabinet. The programs will be presented to you by the ministers, and you will also find them detailed in the government statement that will be made available to you after this session.

The last remaining issue is foreign policy. Allow me 10 minutes to discuss this important issue.

Mr Chairman, brother members: I will now deal with foreign policy, the fifth and last part of the government statement. Egypt's foreign policy is based on the affirmation of its genuine and firm affiliation with the Arab, Islamic, and African worlds and with the Nonaligned Movement. Certainly, this basic policy is a natural extension of accomplishments achieved on the local level. At the same time, it is a sincere and honest reflection of the solidity and stability of the domestic front. Egypt's diplomacy is characterized by a clear view, thorough planning, and active and studied decisions, and not by improvisation and emotional action.

Egypt's foreign policy seeks to achieve several interlinked and integrated goals. Foremost of these are:

1. To realize the greatest degree of protection for our national security.

2. To provide the necessary components to bolster our domestic structure and to serve Egypt's plans for economic and social development.

3. To provide care for the sons of Egypt abroad, to protect their interests and rights, and to consolidate their ties to their homeland.

4. To meet our Arab responsibilities in defense of the issues of our nation and in realization of Arab solidarity. [applause]

Briefly, we can say our foreign policy is based on the sincere and serious effort to consolidate the pillars of peace, security and development, not only for Egypt but for our entire region. If we were to discuss in some detail the underpinnings on which our foreign policy is based, we would find that, as far as the Arab region is concerned, the main features of this policy are:

1. The adoption of a firm and principled stand in defense of the Palestinian issue; support of the PLO, the sole legitimate representative of the Palestinian people [applause]; and the achievement of a just, comprehensive, and lasting solution to the Midle East problem, based on Israel's withdrawal from all Arab territories that it occupied in June 1967 [applause] and the simultaneous guarantee of the legitimate rights of the Palestinian people, including their right to determine their future and to establish their state on their own land within the framework of the Jordanian-Palestinian agreement concluded in February 1985.

2. The call for the convocation of an international conference for peace in the Middle East, with the object of finding a practical means of initiating negotiations on the implementation of UN resolutions pertaining to the Palestinian issue and the Middle East problem. Egypt is involved in exchanges with the various parties concerned, the two superpowers, and other member states of the Security Council in an effort to foster the appropriate atmosphere for this conference, particularly because it was possible during the Alexandria summit [between Mubarak and Peres] in September to persuade Israel to accept the principle of this conference.

3. Strong opposition to the establishment of Israeli settlements in occupied Arab territories. Egypt has repeatedly criticized the oppressive actions and measures carried out by Israel against the peaceful Arab population of those territories. [applause]

4. The past and present demand that all foreign parties take their hands off fraternal Lebanon, to permit it to unite its ranks without foreign interference. Egypt has also emphasized its support for the legitimate Lebanese authority and for the unity and independence of Lebanon. It has criticized the attacks against the Palestinian camps in Lebanon. All of these practices are unacceptable to Egypt.

5. Support for the call for Arab solidarity, through which the Arabs' supreme national interests can be defended. Egypt's relations and consultations with the Arab countries have undergone a change. This is particularly true with regard to the substance of these ties, rather than their form. And it is the substance of such ties that is important to us. Egypt has made good its call for Arab solidarity by firmly supporting the fraternal people of Iraq and other Gulf nations in the face of the threats posed by the continuation of the Iraq-Iran war. Egypt has called for a peaceful end to this long, drawn-out conflict. [applause]

Egypt's quiet overtures to its Arab brothers have borne fruit, in terms of their increased appreciation of Egypt's weight and stature. Jordan has restored diplomatic relations with Egypt. President Muhammad Husni Mubarak and His Majesty King Husayn of Jordan are holding regular meetings. A joint Egyptian-Jordanian committee, co-chaired by the two countries' prime ministers, also meets regularly to discuss increased bilateral cooperation.

Djibouti has also restored diplomatic relations with Egypt. Our relations with this brotherly country are developing satisfactorily in all fields. Egypt's relations with Oman are firmly established, reflecting the true friendship shown by the Omani people and the sound judgement of the Omani sultan and Government.

Egypt's relations with Saudi Arabia, Kuwait, the Gulf countries, and North Yemen are also improving daily.

Egypt has resumed active membership in many Arab organizations. The Arab Artists Association has established its headquarters in Egypt through a resolution that was passed in Damascus this month.

This improvement in political ties between Egypt and other Arab countries has led to a similar development in economic ties. This was manifested in the fraternal Arab countries' support for Egypt's stand in its talks with the IMF and the World Bank. Naturally, the situation in the Arab world is still marred by many differences and divisions, which have a bearing on the efficacy of joint Arab action. This renders Egypt's call for Arab solidarity an urgent and necessary one, if we are to confront the immense challenges facing the Arab world.

Egypt is paying special attention to its relations with Sudan, based upon the very close and eternal ties that bind the two fraternal peoples. In this regard, recent months witnessed the exchange of a number of visits by the two countries' officials, to coordinate stands on various issues and to promote positive development of and growth in relations, in the interests of the two fraternal peoples.

Egypt's relations with the African continent rest upon firm foundations. Egypt is an indivisible part of this continent. It is enthusiastic about the achievement of development, stability, and peace in Africa. Egyptian diplomacy has sought to develop relations with Ethiopia and with the other Nile Basin countries in particular and with the African countries in general. Egypt has also taken part in OAU meetings, ensuring that its voice is heard in opposition to the racial discrimination in South Africa and in support for the independence of Namibia. His Excellency the president was eager to lead Egypt's delegation to the African summit meetings last July, because of his belief in the unity of Africa's struggle and fate.

Egypt also took part in the special UN General Assembly session last September to discuss Africa's economic situation. In April 1986, Egypt took part in the meetings of the 45th session of the Coordination Committee for the Liberation of Africa, and in June 1986 it attended the African finance ministers conference held to establish the African Monetary Fund. Cairo has been the venue of a number of African conferences, including the first African conference on the environment and the African interior ministers conference on combatting crime. This reflects Egypt's unique role in the African continent.

Egyptian-U.S. relations have included constant contacts in the past year dealing with bilateral relations and with the promotion of efforts to secure a comprehensive peaceful settlement in the region. On the level of bilateral relations, Egyptian diplomacy has played an extremely active role with the U.S. Administration and Congress. The result of this role is that the United States now understands the nature of the economic problem we are currently facing as a result of international circumstances that are beyond our control. This understanding has led to a change in the U.S. position, on our discussions with the IMF, on the program for reforming Egypt's economy, and on Egypt's demands in this regard.

Egypt's relations with the Western European countries are particularly important, on both the political and economic levels. The president's numerous visits to these countries, particularly this year, have had a positive effect on strengthening and developing our relations with them on all levels. On the political level, the Western European countries have become more convinced of the need to pave the way for an international peace conference, realizing that it is the only (?practical) means of finding a solution to the problems of the area, particularly the Palestinian issue.

On the level of economy and trade, the European countries have provided clear understanding at the highest levels for Egypt's efforts to reform its economic course. This has been reflected in a tangible way, particularly in the last few weeks, in the increase in the number of grants and loans that Egypt has obtained. This is in addition to the fact that these countries have declared their support for Egypt's position in its negotiations with the IMF. The EC provides grants and aid, mostly foodstuff, to Egypt every year. Egypt occupies second place among those countries that benefit from the European countries' food assistance. The EC has also decided to grant Egypt additional foodstuff assistance, consisting of 50,000 tons of grain. The European countries welcomed the president's call at the European Parliament session in Strassbourg in January 1986 for an international conference to consider the issue of terrorism, which has become a widespread phenomenon threatening the security of Europe, the East, and the entire world.

With regard to our relations with the Soviet Union and the Eastern European countries, we find they are developing in a normal and satisfactory way, based on mutual respect, noninterference in domestic affairs, and cooperation for mutual benefit, within the context of the Nonaligned policy that guides the course of our diplomatic action. In 1986 there were important developments in Egyptian-Soviet relations. Official visits were exchanged by the two countries. Egyptian-Soviet negotiations to agree on the foundations for settling pending financial and economic issues are continuing. It is expected that we will be able to reach the final formula for this settlement during the early months of 1987.

Our active diplomacy has made numerous efforts to strengthen our relations with the other socialist bloc countries, within the context of our principles and interests. These efforts reached their climax with the president's recent visit to Romania and his meeting with Romanian leader Ceausescu.

Thus, the balanced nature of our political action in all directions, in service to the homeland's interests and in response to our firm principles, is quite clear.

Egypt's relations with the Latin American countries are characterized by mutual understanding of each area's problems. The Latin American countries support all of Egypt's efforts to establish peace in the Middle East. We are working tirelessly to promote economic, trade, and cultural relations with that important part of the world.

Egypt maintains close relations with the Asian countries, as well. Foremost of these is India, which has played and is playing a vanguard role, together with Egypt and Yugoslavia, in developing the Nonaligned Movement. Egypt has a history of close relations with China, which have been strengthened by mutual economic and trade interests. Egypt's relations with Japan are extremely good. Japan is participating in a number of Egyptian economic projects. Egypt has close ties with Pakistan, deriving from a shared creed and from identical views on a number of international issues. Thus, it becomes clear to us that Egypt's relations with Asia reflect political, economic, and cultural principles. They are part of Egypt's endeavors to promote world peace and to bolster economic development at the same time.

Egypt received a grant of wheat from Australia last year. Australia is also taking part in building crop silos in some of our governorates.

Egyptian-Israeli relations witnessed a timely development when the arbitral compromis on Tabah was signed on 11 September 1986. This is a fact. The executive measures in this regard have already begun. Egypt's communication with Israel continues at various levels, in an effort to revive the peace process in the Middle East and to secure recognition of the Palestinian people's legitimate rights.

In its constant efforts to further world peace and security, Egyptian diplomacy is active in various international circles, the Nonaligned Movement being the foremost of these. Egypt is proud of its role in creating and leading this important international group and in the establishment of the movement's foundations and principles throughout its 25 years. Egypt abides by the philosophy of nonalignment, whose principles and spirit inspire our foreign policy. This philosophy seeks to prevent the division of the world into blocs and alliances, to resolve disputes by peaceful means, to protect the regional integrity of the movement's members, and to reject the establishment of foreign military bases on the territories of Nonaligned states.

Egypt took part in the Eighth Nonaligned Summit in Harare, Zimbabwe, last September. God willing, Egypt will also take part in the meetings of the fifth Islamic summit and the ICO in fraternal Kuwait in January. Egypt is contributing effectively to increased solidarity and cooperation among the Islamic countries in various fields, so that the Islamic summit will arrive at positive resolutions on the Palestinian issue and will intensify efforts to end the Gulf war. Egypt's eagerness to participate seriously and effectively in this important international gathering derives from its belief in the goals and objectives of this vital Islamic organization and in its noble message. It also reflects Egypt's vanguard role, which has been borne faithfully and positively throughout the ages by Al-Azhar in the service of the Islamic nation's sons and causes and of increased cooperation among Muslims.

Egyptian diplomacy is working actively with the group of developing countries known as the Group of 77. This group held a high-level meeting in Cairo in August 1986, issuing the Second Cairo Declaration on economic cooperation among the developing countries.

Egypt is working actively in various international circles to boost the role of multilateral diplomacy within the framework of the United Nations, specialized agencies, and other international organizations that have technical natures.

Thus, the dimensions and scope of Egypt's diplomatic action become clear to us. This action involves both bilateral and multilateral aspects, and both political and economic dimensions. Egypt's diplomatic efforts have resulted in greater understanding and appreciation of its foreign policy and of its need for assistance in achieving economic growth. All of this reflects the respect and admiration that Egypt enjoys in its international contacts, and underscores the soundness of our political policy in pursuit of peace, stability, and development.

Mr Speaker, brother and sister members of the Assembly: In light of my review for you of the government's strategy, its policies, and its political, economic, and social programs, I want to stress that Egypt is in good shape and that, despite all of the difficulties and challenges — of which we are all aware and which I have detailed — there is cause for great hope, thanks to God almighty and to the awareness of our great people and of their faithful representatives. My purpose in focusing on the difficulties and challenges facing us all was merely to present you with a true and complete picture, so that solutions, God willing, will be thorough and commensurate with the problems. Solutions are possible. Their prerequisites are available. There is nothing impossible, with God's grace. Precious Egypt has the human and material resources to permit it, if those resources are well used to overcome all obstacles and to move toward the desired growth and prosperity.

I assert again it is necessary to make the best use of materials, to avoid loss and extravagance, and to achieve efficiency in resource management at all levels, moving from the production or administrative unit, through the activity of a single sector, to the level of national economic management. To this must be added the provision of all necessary elements of discipline in both administrative and economic work, and again at all levels, from that of the individual to that of the nation. These elements, by themselves, are sufficient to achieve much of the development to which we aspire.

I also stress to you that the various policies and programs presented to you must complement and correspond to our national strategy if their success is to be ensured. The government will not deviate from this premise, God willing, because it is the only guarantee of achievement within a stable framework. Our economic problems and the appropriate solutions must be viewed within this framework. It is known that the current conditions facing our national economy are nothing new; they are the result of long years of accumulation, exacerbated, as I have said, by recent temporary circumstances. Hence, solutions must be both radical and gradual, and must be founded on a clear concept of the future and on definite strategic objectives.

While profoundly aware of its immense responsibility and of the huge task it faces, particularly as the people are looking for rapid solutions to their problems and want to have more hope in their future, the government promises to undertake that which can be achieved in the short term. The details will be presented to you when the various policies and plans based on the long-term strategy I have presented are submitted to you.

These short-term solutions appear to be a difficult matter, but due to the grace of God almighty, a number of relatively assuring and positive indications have begun to appear. These will certainly help to reduce the difficulties to a large extent, particularly if this positive trend continues. I would mention in particular the relative improvement in oil prices, the relative increase in tourist figures, the start of production at some new projects that took a long time to establish, and the understanding shown by the international economic establishments — by this I mean the IMF and the World Bank — of Egypt's position and views. This will pave the way for the rescheduling of most of Egypt's foreign debt, which will, in turn, alleviate our present burdens and foster the continuation of our development process at the desired rate, God willing.

The government, acting alone, cannot do everything or provide everything necessary. Thus, the responsibility of each of us, regardless of his position, to contribute to the comprehensive development process, and thus to greater production and prosperity, becomes apparent. The government is confident no one will shirk this responsibility. For its part, the government will not hesitate to support any self-reliant and constructive effort, in its belief in the importance of popular participation in the development process.

The future is full of hope. We must turn it into reality through hard work. Our belief in almighty God is infinite. "He is the best to protect and the best to help." [Koranic verse] Our confidence in the people and their representatives, both majority and opposition, is boundless. The government asks for and seeks your support, cooperation, and backing for the responsibilities entrusted to it. May God almighty grant us and you success in achieving whatever is best for our beloved Egypt and its great people. "Our Lord, (they say) Let not our hearts deviate now after Thou hast guided us, But grant us mercy from Thine own Presence; for Thou art the Grantor of bounties without measure." [Koranic verse] And God told us that which was true. May God's peace and mercy be upon you. [appaluse]

Ministry Issues Statement on MFO Entry into Tabah

NC061244 Cairo MENA in Arabic 1140 GMT 6 Jan 87

[Text] Cairo, 6 Jan (MENA) — The Egyptian Foreign Ministry issued a statement today marking the MFO's entry into Tabah tomorrow. The declaration stresses the force will discharge its duties throughout the interim period, which will end with the implementation of the international arbitration tribunal's decision. It adds that one of the MFO's tasks will be to ensure there are no military units or weapons in Tabah.

The following is the text of the Foreign Ministry's statement: The MFO will enter Tabah tomorrow, 7 January, in accordance with Article 11 of the arbitral compromis between Egypt and Israel. The force will begin its mission in Tabah in line with the provisions of the agreement concluded on 25 April 1982. That accord defined the MFO's method of operation in the interim period to ensure it carries out its tasks in the best possible way and achieves the objective behind its entry into Tabah during the arbitration process.

The MFO will discharge its duties throughout the interim period, which will end with the implementation of the arbitration tribunal's decision.

Among other things, the MFO is responsible for seeing there are no military units or weapons in Tabah and for reporting security violations by individuals to the host country's police. The MFO has established an observation post for this purpose, and its location has been agreed upon by the members of the Egyptian-Israeli liaison group.

Official Comments on Planning for Kuwait Summit

NC061406 Cairo MENA in Arabic 1315 GMT 6 Jan 87

[Text] Cairo, 7 Jan (MENA) — Dr Mamduh al-Biltaji, head of the Public Information Authority, has stated that the Egyptian brief during the Kuwait summit will cover all of the basic principles of Egyptian policy on various Arab issues, conditions in the Islamic world, the need for common action to reverse the collapsing Arab situation, and joint efforts to enhance the importance of the Islamic nation.

In his remarks to Arab news correspondents in Cairo, within the media campaign preceding the Islamic summit in Kuwait, Al-Biltaji added Egypt is going to Kuwait with a full awareness of its abilities and responsibilities. Egypt, he added, is ready, as usual, to bear its national and Islamic responsibility. He declared: Egypt is not trying to present Camp David as a bright image or to sell it to anyone. Experience has proven this. Note that relations between Jordan and Egypt were restored even though Jordan neither approved of Camp David nor joined it.

Al-Biltaji added: Any attempt to use the Camp David issue to obstruct the restoration of Arab-Egyptian relations reflects a concealed political intent. This intent is manifested in efforts to increase Arab division, so some regimes, which falsely assume a mantle of radicalism, can use it as a pretext to implement a sort of minority dictatorship at an Arab meeting that has already unanimously agreed on the need for Egypt's return to the Arab fold and for a serious and collective confrontation of the immense dangers facing the Arab world in general.

Soviet Attache on Debt Rescheduling, Trade

PM061507 Cairo AL-SH'AB in Arabic 23 Dec 86 pp 1,2

[Fikri 'Abd al-Muttalib report: "Soviet Trade Attache to *Al-Sha'b*: Rescheduling of Debts and Amendment of Exchange Rate in February"]

[Text] Aleksandr (Kazentev), Soviet trade attache in Cairo, has said the latest round of negotiations was an advance on the previous two because the views of Egypt and the Soviet Union have become closer. The debts have been valued at approximately

$2.5 billion. It has been agreed that the trade protocol for 1987 be signed at a value of $850 million; that is the equivalent of more than 600 million sterling. It is the first time a new protocol will be signed before the expiry of an existing one. The attache added the new protocol will increase the volume of trade exchange between the two countries by 15 to 20 percent in comparison with this year, in which the trade volume dropped by 10 to 15 percent as a result of the increase in Egyptian export prices. The Soviet official said the next round of talks next February or March will cover agreement on rescheduling debts and fixing the period of grace, installments, and interest rates, and the Egyptian final position on sterling exchange rate, which is considered the major problem facing trade development between the two countries. He pointed out the present exchange rate forces Egyptian exporters to raise the prices of their goods exported to the Soviet Union. Thus Soviet establishments refuse to purchase many of these goods at doubled prices. Therefore, we have requested the implementation of the terms of the 1962 payment agreement between the two countries, which stipulates that the free currency exchange rate be on the basis of world prices as already applied between Egypt and other countries. Consequently I believe the Egyptians will eventually agree to amend the exchange rate in light of the commitment to implement the new trade protocol, especially after the agreement to sign a long-term (5-year) trade protocol was hampered by continuation of the current exchange rate.

Religious Students Disrupt Exams at University

NC062104 Cairo MENA in Arabic 1956 GMT 6 Jan 87

[Text] Al-Zaqaziq, 6 Jan (MENA) — A group of religious activist students at the Commerce College at Al-Zaqaziq University attempted today to disrupt the examinations of 3d and 4th year students and to incite other students.

Dr Samir Tubar, dean of the college, postponed today's examinations but determined that the tests scheduled for the next few days will be given as planned, so as not to allow the activists to achieve their objectives.

Most of the students left the premises quietly, except for a group of approximately 550, who attempted to start a riot inside the college, destroyed examination papers, and broke the glass doors to the building. They were confronted by security forces, and 10 were arrested and taken for interrogation.

[Cairo MENA in English at 2045 GMT on 6 January carries a report on this incident that says 150 students were involved in the attempted riot.]

Sudanese Industry Minister Arrives in Cairo

NC061550 Cairo MENA in Arabic 1510 GMT 6 Jan 87

[Excerpts] Cairo, 6 Jan (MENA) — Sudanese Industry Minister Mubarak al-Mahdi arrived in Cairo from Khartoum this afternoon for a 5-day visit, during which he will be received by President Husni Mubarak.

Upon arrival, the Sudanese minister stated he has a verbal message for President Mubarak from Sudanese Prime Minister Sadiq al-Mahdi. The message addresses the best ways to bolster Egyptian-Sudanese relations to serve the interests of both peoples. [passage omitted]

Minister al-Mahdi added he will talk with Engineer Muhammad 'Abd al-Wahhab, Egyptian minister of industry, on cooperation in industrial fields and the exchange of materials and expertise. [passage omitted]

Turkish Culture Minister Arrives on 5-Day Visit

NC061418 Cairo MENA in Arabic 1340 GMT 6 Jan 87

[Excerpt] Cairo, 6 Jan (MENA) — Mesut Yilmaz, Turkish minister of culture and tourism, arrived in Cairo this evening at the head of a delegation on a 5-day official visit to Egypt. The visit is in response to an invitation from Fu'ad Sultan, minister of tourism and civil aviation. [passage omitted]

Communique No 2,517 Details 5-6 Jan Combat

JN061834 Baghdad Voice of the Masses in Arabic 1800 GMT 6 Jan 87

[Communique No 2,517 issued by the Armed Forces General Command on 6 January 1987]

[Excerpt] [Passage omitted] The following is a roundup of our units' activities for last night and today:

1. The VII Army Corps units directed their artillery fire at enemy positions opposite them, halting enemy engineering work and setting on fire a number of enemy weapons emplacements and infantry positions. Our units also achieved the following:

Six enemy personnel killed.

One shovel [preceding word in English], two vehicles, and two ammuntion dumps destroyed.

A quantity of enemy weapons, left behind in the recent battles waged in the VII Army corps sector, were seized.

2. The valiant III Army Corps units continued their blows to the Khomeyniite aggressors, inflicting the following:

Thirteen scoundrels killed.

One shovel and one vehicle damaged.

Six infantry positions destroyed and a number of enemy personnel killed and wounded.

3. In the VI Army Corps sector east of Tigris, three vehicles were destroyed and a number of enemy personnel were killed.

4. In the II Army Corps central sector, one 106-mm artillery gun, one ammunition dump, and an observation post were destroyed.

5. One DSHK machine gun and one observation post were destroyed in the I Army Corps northern sector.

6. Three enemy boats tried to approach our regional waters of the Arab Gulf, but our brave naval units confronted them and forced them to flee.

7. In the sector of the Special I Army Corps — the Allahu Akbar Forces — one ammunition dump and one infantry position were destroyed.

[Signed] The Armed Forces General Command, 6 January 1987

Iranian Claim of Helicopter Pad Attack Denied

JN062143 Baghdad INA in Arabic 1940 GMT 6 Jan 87

[Text] Baghdad, 6 Jan (INA) — An Iraqi military spokesman has denied Iranian claims of hitting a helicopter pad at Al-Bakr. In a statement to INA, the spokesman denied these claims. He said all people know that there is no [word indistinct] that can, from distances of tens of kilometers, accurately hit a target whose diameter does not exceed 10 meters and then confirm that the target was actually hit. He added that the ignorant rulers of Iran have (?become used) to the silliest of lies.

Armed Forces Will Not Attack Civilians

JN061227 Baghdad INA in Arabic 1103 GMT 6 Jan 87

[Text] Baghdad, 6 Jan (INA) — Chief of Staff General 'Abd al-Jawad Dhannun has affirmed the Iraqi Armed Forces' commitment to not striking residential areas despite the Iranian regime's continued shelling of many Iraqi cities and even Baghdad. In a statement to the newspaper *Al-Qadisiyah* here today, Staff Gen Dhannun said that the military situation on the war fronts is absolutely in favor of Iraq. He added: Success is ours, and this means in pure military terms that we did not lose the initiative at any time, given our absolute air control — our planes can reach any target inside Iran, no matter how far away.

King Husayn, Al-Rifa'i Receive Richard Murphy

JN071331 Amman Domestic Service in Arabic 1200 GMT 7 Jan 87

[Text] Amman — His Majesty King Husayn received at Al-Nadwah Palace today Richard Murphy, U.S. assistant secretary of state for Near Eastern and South Asian affairs. The meeting, which was interrupted by a working luncheon, was attended by His Highness Crown Prince Hasan, the prime minister, the chief of the Royal Hashemite Court, the chief chamberlain, the commander in chief of the Armed Forces, and the foreign minister. The meeting was also attended by the U.S. ambassador in Amman and a number of the members of the delegation accompanying Murphy.

Prime Minister Zayd al-Rifa'i earlier received Murphy in his office in the presence of the chief of the Royal Hashemite Court, the foreign minister, the U.S. ambassador in Amman, and a number of the members of the delegation accompanying Murphy.

AL-RA'Y on Visit, Prospects

JN071133 Amman AL-RA'Y in Arabic 7 Jan 87 p 1

[Editorial: "Murphy and the Outcome of Events"]

[Text] The visit of Richard Murphy to the region is the first U.S. initiative of this year. Though Washington did not make any announcement about Murphy's mission and merely indicated that it intended to continue its efforts, observers see this visit as merely an opportunity to ascertain the effects of last year's events in the region, particularly after the reports about the U.S. arms deal with Iran.

It is certain that Murphy comes to the Middle East while the U.S. and Israeli stands toward the international conference have not changed and while Washington has not shown any enthusiasm for the convocation of this conference, given the conditions, participants, and intentions that guarantee its success. The position toward Soviet participation has not changed, and there is still no enthusiasm for an effective European role. Therefore, the U.S. envoy will hear the same views he heard in previous tours with regard to the Jordanian position. He will hear that there is no alternative to the international conference and no guarantee for the success of this conference in the absence of the PLO, the Soviet Union, and all the UN Security Council permanent members. Moreover, the Israeli position has not changed with regard to its rejection of the international conference and its rejection of any just settlement of the Middle East crisis, which is achieving the Palestinian people's legitimate rights.

Jordan, which has always declared its support for all sincere peace efforts and insists on the need to respect international legitimacy and resolutions, believes that Murphy's visit is another step along the road. Hopefully this is not a circular road whose starting point is also its finishing point and is merely designed to waste time and effort on a crisis that jeopardizes world peace and stability — a crisis that is the result of Israeli intransigence and the blind support the Zionist entity receives from the foes of our homeland and nation, who are incapable of reading history and future prospects.

King Husayn To Visit France 12 January

JN061610 Amman PETRA-JNA in Arabic 1435 GMT 6 Jan 87

[Text] Amman, 6 Jan (PETRA) — The Royal Hashemite Court has announced that His Majesty King Husayn and Her Majesty Queen Nur will pay a 3-day state visit to France beginning Monday 12 January 1987 at the invitation of President and Mrs Mitterand. His Majesty King Husayn will hold talks with President Mitterand, Prime Minister Chirac, and other senior French officials on bilateral ties and international issues.

Explosion Injures Former President Sham'un

NC070816 (Clandestine) Radio Free Lebanon in English 0802 GMT 7 Jan 87

[Text] It appeared that as a result of the explosion of this morning along the boulevard of the Beirut river which aimed at cabinet minister [former] President Camille Sham'un, three of his bodyguards were killed in the explosion. President Sham'un narrowly escaped and suffered superficial wounds. He was rushed with the casualties to the Hotel Dieu Hospital. Reports said that a booby-trapped car was detonated by remote control as the convoy of President Sham'un passed in the region.

[The clandestine Radio Free Lebanon in Arabic at 0945 GMT in a similar report states: "According to initial reports, the sinful assasination attempt against former President Camille Sham'un martyred six citizens, including three of his bodyguards. Some 35 other people were wounded. The blast also caused extensive damage to cars and buildings at the scene of the explosion, which was in the Fiat area opposite the Al-Taj Mill."]

Sham'un Comments on Attack

NC070918 Beirut Voice of Lebanon in Arabic 0840 GMT 7 Jan 87

[Statement by former President Camille Sham'un from the Hotel Dieu hospital following the attempt on his life — recorded]

[Text] My [blood] pressure is 130/70. This is in spite of the attackers, who have tried for the 4th or 5th time to assassinate me. What they did was assassinate innocent persons who were on the road. God is our protector. I believe in the Virgin Mary, whose picture I always carry around my neck and who has so far protected me from all attacks. As long as all is well with the Virgin Mary of the Hill, all is well with us, and all will be well with Lebanon, God willing.

I have a special word to say. I wish to thank the president of the Republic, who honored me with a visit to find out how I was. It was part of my program for today to go to the Presidential Palace and congratulate him on the speech he delivered yesterday. That speech was full of free, sincere, and courageous nationalism.

Al-Jumayyil Condemns Attack

NC071206 Beirut Voice of Lebanon in Arabic 1015 GMT 7 Jan 87

[Text] President Amin al-Jumayyil has strongly condemned the assassination attempt against former President Camille Sham'un. He said this criminal act seeks to bring tension back to Lebanon and to impede efforts to end our country's suffering. This is particularly true given the great role President Sham'un has to play in rescuing Lebanon from its current state. Sham'un, he added, has worked and continues to work to strengthen Lebanon's unity, sovereignty, freedom, and national dignity. Indeed, he has become a symbol of our country.

President Al-Jumayyil described the assassiantion attempt as another chapter in the plot against Lebanon and its people. He noted they are facing the conspiracy with determination and resolution. This new crime is an incentive for our leaders and officials to show solidarity in the face of plots against Lebanon's land and people.

Group Threatens To Kill Remaining Jewish Hostages

NC070903 Paris AFP in English 0848 GMT 7 Jan 87

[Text] Beirut, Jan 7 (AFP) — An organization which in May 1985 claimed a series of Jewish kidnappings threatened on Wednesday to kill the last three hostages it says it is holding.

A statement in *Al-Nahar* daily read: "We will kill the three Mosad (Israeli intelligence) agents we are holding if Israeli terrorist actions in south Lebanon and the west Al-Biqa' continue."

The organization of the Opressed on Earth said on December 30 that it had killed three Jewish hostages. On December 24 it also claimed the killing of another Jew, whose body was found on the demarcation line between East and West Beirut.

The council of the dwindling Lebanese Jewish community has confirmed that apart from the dead man, Haim Chalala Cohen, six others have disappeared.

Iraqi Embassy Responds to Amal Accusation

NC061821 (Clandestine) Radio Free Lebanon in Arabic 1645 GMT 6 Jan 87

[Text] The Iraqi Embassy in Beirut today responded to an Amal accusation that Iraq was involved in a plan to conduct a coup d'etat in West Beirut. A statement issued by the embassy's Press Department made the following assertion: Certain forces in Lebanon have grown accustomed to adopting stands and issuing statements that contain enough false accusations to point a finger at the accusers themselves rather than at the accused.

The latest such statement carried by the media is that issued by the so-called 5th Section of the Amal Movement Military Bureau. This statement alleges a plan has been formulated to carry out a coup d'etat in West Beirut in which the Iraqi Embassy is involved. Therefore, the Press Department at the Iraqi Embassy wishes to announce the following:

1. The content of this said statement is clear calumny. We would have preferred not to stoop to the same level to which some forces have sunk. These forces make arbitrary accusations in an obvious attempt to create artificial disputes with honorable nationalist and pan-Arab forces.

2. If the Amal Movement and those who stand behind it are experiencing popular and political isolation, then this is a consequence of their own actions. No one else is responsible for it.

The Iraqi Embassy statement called for delineating the relationship between the Palestinians and the Lebanese people through legitimate Lebanese and Palestinian authorities with Arab guarantees.

Lebanese Forces on Reforms, Syrian Presence

NC062200 Beirut Voice of Lebanon in Arabic 2015 GMT 6 Jan 87

[Text] In a statement issued today, the Lebanese Forces Command Council affirmed that the current socioeconomic crisis is the result of the political turmoil that has gripped the country for the last 12 years. The policy of boycott and political tug-of-war only increases the fierce and serious nature of this crisis, the statement added. The Lebanese Forces emphasized the need to put an end to the boycott and the useless wasting of public funds. The existing economic duress is a form of political pressure and extortion being applied by Syria to force the Lebanese to accept something that contradicts their free will.

With regard to the issues to be raised for discussion at the anticipated Lebanese-Syrian summit, the Lebanese Forces emphasized the following principles:

First, the Syrian Army's presence in Lebanon has been illegal since August 1982. Therefore, the question of the withdrawal of this Army should be put at the top of the summit agenda. Until then, the Syrian Army will be considered an occupation force.

Second, the Syrian military presence in Lebanon is a factor of instability and division among the Lebanese. The Lebanese Forces therefore renew their call on the international community to put a final end to the war which others are waging on Lebanese territory and to stop the conflagration.

The Lebanese Forces maintain that issues pertaining to domestic reform are of concern to the Lebanese people themselves. They should be discussed at meetings held by Lebanese citizens on Lebanese territory, away from an atmosphere of foreign pressure and hegemony. The Lebanese Forces also assert that the demand to eliminate political sectarianism is actually a plan to achieve sectarian hegemony over the rest of the Lebanese people; it is a plan designed to dismiss Lebanon's plurality. The Lebanese Forces Command Council discussed the opening of Halat airport. The council reaffirmed the vital need to have this airport operational, declaring that the existence of many centers of communication with the outside world is extremely important in Lebanon. This will ensure that communication will be maintained whenever there is a security obstacle. The Lebanese Forces promised the Lebanese people they would take all the approriate measures to put Halat airport into operation. They warned all obstructors that the Lebanese Forces possess the necessary means to put this unanimous and vital Lebanese demand into effect.

Presidential Envoys Return From Damascus

NC061932 Beirut Domestic Service in Arabic 1900 GMT 6 Jan 87

[Text] An official Lebanese team returned to Beirut from Damascus this evening. The delegation consisted of former minister Dr Elie Salim; Colonel Simon Qassis, Army chief of intelligence; and Eng Hani Salam. Upon their arrival, the three met with President Shaykh Amin al-Jumayyil. They briefed him on the outcome of their talks with Syrian officials. Before returning to Beirut, the members of the Lebanese team met with Syrian Foreign Minister Faruq al-Shar' to complete discussions of pending issues. Salam also spoke twice with Minister Birri.

Further on Al-Jumayyil Address to Diplomats

NC061918 Beirut Voice of Lebanon in English 1815 GMT 6 Jan 87

[Excerpt] The president of the Republic, Shaykh Amin al-Jumayyil, told the foreign diplomatic corps today in the annual address that Lebanon's independence is defying regional ambitions and forced ideologies. The president said: In my name and that of the people of Lebanon, I wish to thank all of you for your wishes. Your presence in Lebanon is for us an act of faith, a message of hope. The Lebanon you wish to see reestablished has not yet overcome its difficulties since we are today faced with an economic war, the war against social chaos, against destruction, against unemployment, against hunger. Twelve years ago, however, the Israeli-Palestinian problem, entering its 4th decade, had imposed itself as the main ferment of the conflict in the Middle East, and more particularly in Lebanon.

The president went on to say: Thus 12 years ago started a process of destabilization which consisted in arousing the different communities one against the other, while luring them into false independence. In the fragmentation thus created, the parties to the conflict — Lebanese, Arab, and foreign — each thought they would find their interest in the process. In turn, each of these parties gambled on our breaking up, on our ruin. Today there is no longer a war that fundamentally opposes Lebanese to other Lebanese. As to the so-called Lebanese civil war, it has become a myth, since the Lebanese, including those who are still fighting, are unanimous in condemning what they were made to bear and the culmination of which is the economic war.

It is evident, said the president of the Republic, that within certain communities forces have emerged, propelled by events and encouraged by temporary protectors and which pretended to set up independent and separate powers. I declare that these experiments of mini-states, wherever they are and however attractive they may appear, can only perpetuate the tearing apart of the country while exhausting the communities they shelter in a self-destructive manner.

The president said: I refused to ratify the agreement May 17 when it appeared that it would not lead to the withdrawal of the Israeli Army. I will never accept that the unity and the independence of my country be questioned or that they be subjected to considerations that conflict with them. Lebanon will never be an item for exchange, said the president of the Republic. It will never be a homeland for others or a buffer zone or a forum for political aims for some and for strategic interests for others.

The president of the Republic finally said: Torestore democratic legality in Lebanon is an endeavor which more than ever requires the support of all in order to regain certain parts of our territory that have become free zones of terrorism where citizens of countries you represent are still held as hostages. [passage omitted]

Al-Murabitun Gunmen Reappear in West Beirut

NC062005 Beirut Voice of Lebanon in Arabic 1715 GMT 6 Jan 87

[Excerpts] Members of the Independent Nasirite Movement — Al-Murabitun have appeared in the streets [of West Beirut] for the first time in a year. Gunmen belonging to this organization have deployed in the vicinity of the municipality playground alongside PSP members. [passage omitted]

The gunmen have appeared in Al-Zarif, Tallat al-Khayyat, Burj al-Mur, Clemenceau, Al-Hamra', the Hubaysh police station area, and Abu Talib.

Al-Shar', Iran's Besharti Discuss ICO, Gulf War

LD062017 Tehran IRNA in English 1906 GMT 6 Jan 86

[Text] Damascus, Jan. 6, IRNA — Visiting Iranian acting foreign minister 'Ali Mohammad Besharati met with Syrian Foreign Minister Faruq al-Shar' here Tuesday and conveyed a message from his Iranian counterpart 'Ali-Akbar Velayati.

In the meeting Besharati stressed that Kuwait is an unsuitable and unsafe venue for the forthcoming meeting of the Islamic Conference Organisation and that this small Persian Gulf state revealed its ineligibility by inviting such reactionaries as King Hassan of Morocco and Egypt's Husni Mubarak.

The Islamic Republic of Iran will send a top-level delegation to the ICO meet in case its venue is shifted to another place, Besharati noted.

Referring to the Iraqi-imposed war, Besharati said that the Iranian Armed Forces have begun the final countdown for a fresh offensive on the beleaguered Iraqi troops at war fronts. The recent small scale Karbala'-4 offensive had proved the combat readiness of the Iranian Muslim forces, he added.

The Iranian minister also reiterated security of the Persian Gulf and expansion of relations with the P.G. states.

Later in the meeting Besharati referred to the conference on Iraqi people's cooperation concluded recently in Tehran and said that the 400 odd participants from various Iraqi opposition groups outlined the future internal and external policy of Iraq during the four-day conference.

In reply Syrian foreign minister referred to the ICO meeting and said that presence of King Hassan and Mubarak are against the principles of the conference and questioned their eligibility to participate in such a meeting.

Al-Shar' said that the success of the Iraqi people's cooperation conference far exceeded the initial expectations and it provided an opportunity for Iraqi opposition groups to make common cause and coordinate their potentials for a decisive struggle against the Baghdad regime.

The Syrian minister also thanked the Islamic Republic for its support of Syria, particularly against U.S. and British plots. He said that Tehran and Damascus share the same viewpoints on different issues. The Iraqi regime's invasion of Iran is tantamount to an invasion of Syria, he remarked.

Al-Asad Receives Afghan Official, Letter

JN061851 Damascus SANA in Arabic 1655 GMT 6 Jan 87

[Text] Damascus, 6 Jan (SANA) — President Hafiz al-Asad received Afghan Deputy Foreign Minister Sarwar Wyuresh this afternoon. The meeting was attended by Foreign Minister Faruq al-Shar'. The Afghan official handed President al-Asad a letter from Secretary General Najibullah dealing with the situation in Afghanistan and bilateral relations. They discussed Afghan and Middle East developments as well as matters of common interest.

Foreign Minister Meets With UN Envoy Goulding

JN061958 Damascus Domestic Service in Arabic 1915 GMT 6 Jan 87

[Text] Foreign Minister Faruq al-Shar' received Marrack Goulding, UN under secretary general for special political affairs, accompanied by his aide Jean-Claude Aime. The meeting was attended by Assistant Foreign Minister Diaullah al-Fattal; Major General 'Adnan Tayyarah, head of the Syrian side to the Joint Armistice Commision; and Ahmad Fathi al-Yusri, head of the Oranizations Department of the Foreign Ministry. They discussed the need for implementing UN Security Council Resolution 425 and called for Israeli withdrawal from all Lebanese territory and the deployment of UNIFIL along international borders.

IDF Withdrawal From Tabah Denied by Military

NC062300 Paris AFP in English 2250 GMT 6 Jan 87

[Text] Jerusalem, Jan 6 (AFP) — The Israeli Army will continue to hold its positions on the disputed Red Sea enclave of Tabah after the scheduled deployment there of the Multinational Observer Force (MOF), an Israeli military spokesman said.

A senior Foreign Ministry official said that the recent agreement between Israel and Egypt on negotiations over Tabah did not provide for the withdrawal of the Israeli force, contrary to an earlier report by the Egyptian news agency MENA announcing Israel's withdrawal.

Tabah is a one square kilometer (half mile) beach strip on the Gulf of Aqaba, which Israel retained after evacuating the rest of the Sinai in 1982. It has since been a major source of contention between Israel and Egypt.

A month ago the two countries signed an agreement on proceedings to ratify a final agreement on Tabah.

Shamir Says No More Territorial Concessions

TA070957 Tel Aviv MA'ARIV in Hebrew 7 Jan 87 p 9

[Report by Menahem Rahat]

[Text] "The Camp David accords were Israel's last territorial concession and there will be no additional concessions," Prime Minister Yitzhaq Shamir stated last night as he firmly rejected the notion of an international conference, which "will never ever come into being." Shamir emotionally declared that "for us, Eretz Yisra'el means the whole of Eretz Yisra'el — and we will not surrender even 1 ounce of our rights."

The prime minister was the guest of honor at a convention of Herut veterans last night. Among other things, Shamir addressed himself to U.S. envoy Richard Murphy's renewed efforts to revive the peace process in the Middle East. "We will welcome him, and we will cooperate with the U.S. Government. However, one thing must be clear: We will remain loyal to all of Israel's commitments under the Camp David accords, but this is the last of Israel's territorial and other concessions."

"Just as we pledged in the Camp David accords and the coalition agreement, we are interested in direct negotiations with all our neighbors. We yearn for peace, but we will not surrender even 1 ounce of our rights in favor of international bodies that have no say in the State of Israel's vital and genuine interests in order to attain it," Shamir added.

He went on to say that it was clear to him that not all the members of the Cabinet agree with him, but the national unity government must continue to exist nevertheless. Shamir warned his coalition partners that anyone sabotaging or violating national unity "will be punished and will pay a heavy political price."

Supports Lavi Continuation

TA061940 Jerusalem Television Service in Hebrew 1900 GMT 6 Jan 87

[Interview with Prime Minister Yitzhaq Shamir by political correspondent Yig'al Goren during a tour of police headquarters in Jerusalem today — videorecorded]

[Excerpt] [Passage omitted on religious issues] [Goren] Sir, do you support the continuation of the Lavi project?
[Shamir] I do not want to say what my position is now. There will be discussions on this issue. I think there is a general desire to continue with the development of the Lavi. There are differences of opinion regarding the extent to which we can carry the burden.

[Goren] Do you personally regard this project as a national project which is important despite the financial difficulties?
[Shamir] This is doubtlessly a high priority national project and we must do everything possible to develop it and reach completion.

[Goren] In the last few days there have been more and more reports that the condition of the South Lebanese Army [SLA] is worsening. They suffered 10 casualties. Is there a danger to the existence of the SLA?
[Shamir] I hope not. It is true that the SLA is facing great dangers and is under recurring attacks. The IDF must help it.

[Goren] There are also more and more reports on increasing infiltration by Fatah people to Lebanon. Does this not endanger our security in the north?
[Shamir] We are aware of this. The IDF is taking the necessary measures. There are dangers, undesirable trends. I assume we will withstand this.

U.S. Official Presents Proposals on Lavi Alternatives

Meets With Shamir

TA071224 Tel Aviv IDF Radio in Hebrew 1152 GMT 7 Jan 87

[Text] Prime Minister Yitzhaq Shamir this afternoon held a short talk with U.S. Deputy Under Secretary of Defense Dov Zakheim who gave him the book containing the alternatives to the Lavi plane. Shamir told Zakheim that the Lavi is a national project. We will seriously consider the proposals brought before us, and when the time comes we will decide — and this will be an Israeli decision, stressed Shamir in his meeting with the U.S. envoy.

Peres Comments On Meeting

TA061647 Tel Aviv IDF Radio in Hebrew 1500 GMT 6 Jan 87

[Text] Vice Prime Minister Shim'on Peres said, following a meeting with Dov Zakheim today, that for the time being he adheres to his position that we should continue developing the Lavi in its present form. Our political correspondent 'Oz Frankel reports:

[Begin recording] [Frankel] Dov Zakheim is not pressuring or twisting anybody's arm; he is passing from office to office with a fat booklet of figures and is presenting in a matter-of-fact and to-the-point manner the five alternatives he has prepared to the Lavi plane. Yesterday he met Rabin, today he met Peres, this evening he will meet Nisim and tomorrow he will meet Prime Minister Shamir. Zakheim told the foreign minister that he was indeed impressed by the Lavi's maiden flight, but this does not prove that it is preferable to the other alternatives. He briefed Minister Peres in great detail, for a long time, on each alternative with its advantages and disadvantages in terms of cost, production time, and supply. Zakheim did not state his position regarding the various alternatives. For the time being he is settling for presenting the alternatives, emphasizing the cooperation and dialogue involved:

[Zakheim — in English] My feeling is that the discussions have been very good. We have worked very closely with Israel on this. I mean, one thing that people need to understand is that none of this effort would have been possible without the help of Israel.

[Frankel — translates the above and continues] Foreign Minister Shim'on Peres heard Zakheim out and promised him to study the alternatives and to consider them. However, it appears as though Peres still prefers the original Lavi to its five alternatives:
[Peres] The U.S. delegation gave me a lot of material and I have to read it and study it thoroughly. At this stage I stick to my position.

[Frankel] And what is that position?
[Peres] We must continue with the Lavi.

[Frankel] The Lavi in its present form?
[Peres] In its present form. However, I will read about all the alternatives which have been raised and only after we study them can we see what is in them.

[Frankel] The Americans are helping us considerably in financing the project, perhaps it is even completely financed by them. Will we not have to accept their position eventually?
[Peres] Look, the Americans have so far not imposed any decrees upon us, and I hope that this will remain true in the future. Naturally we have to listen to them, just as they have to listen to us. However, they have not come to us with orders, they came with proposals. [end recording]

Meets With Rabin

TA061235 Tel Aviv 'AL HAMISHMAR in Hebrew 6 Jan 87 pp 1, 16

[Report by military correspondent Avi Bnayahu]

[Excerpt] Defense Minister Yitzhaq Rabin met yesterday afternoon in his office with U.S. Deputy Under Secretary of Defense Dr Dov Zakheim. Zakheim officially presented Rabin with the alternatives he had prepared to the Lavi plane project. The meeting lasted approximately 90 minutes, and was conducted in a pleasant atmosphere.

U.S. Ambassador to Israel Thomas Pickering, who participated in the meeting, handed a letter from U.S. Defense Secretary Caspar Weinberger to the defense minister. "I ask you to seriously consider the alternative proposals Zakheim is bringing with him," Weinberger wrote to Rabin.

During the meeting Zakheim showed slides of all the alternatives. A member of the U.S. team elaborated orally on the U.S. financial aid. He explained that the chances of greater assistance in the coming year are very slim — thereby stressing Israel's need to adopt one of the proposed alternatives.

At the conclusion of the meeting the defense minister said that the Defense Ministry would not give the United States an answer immediately; the Ministry would first thoroughly examine and study the alternatives which Zakheim presented, and only afterward react. In all events, the defense minister insists that the matter be decided by the political Inner Cabinet, in view of the fact that the issue under consideration is a national project. Dr Zakheim began his remarks by thanking the members of the Israeli defense establishment for their cooperation in preparing the presentation of the alternatives.

"Although U.S. aid serves as the means and financing of the Lavi project, the decision remains ours. Once the discussions in the defense establishment on the alternatives are over, the government will have to make a decision on the matter." Defense Minister Yitzhaq Rabin made these remarks to the *'Al Hamishmar* correspondent last night upon emerging from a convention of the Defense Ministry's Rehabilitation Department held at the Tel Aviv Fairgrounds.

The defense minister added: "We promised the United States that we would examine the alternatives to the Lavi plane, and this is what we are doing. We are now studying the matter, and we will do so thoroughly, after which we will reach a decision."

In reply to a question posed by our correspondent as to whether the improved F-16 plane is the relevant proposal, Rabin said that in the meeting with Zakheim yesterday the sides did not go into the details of the U.S. proposals, but rather made do with the presentation of the various alternatives. [passage omitted]

Rabin Claims Syria Behind Hizballah SLA Attacks

TA062005 Jerusalem Television Service in Hebrew 1900 GMT 6 Jan 87

[Interview with Defense Minister Yitzhaq Rabin by correspondent in the north Moti 'Eden on 6 January — recorded]

[Text][Rabin] The problem is that most of the force that attacked the South Lebanese Army [SLA] is not from among the population of the villages near the security zone, but rather comes from regions in which there is some defense, which I will not detail here, to these Hizballah centers. We therefore must find an answer to the problem as it exists.

['Eden] That is, attacking Hizballah in its bases?
[Rabin] To the extent that this is possible this would have been the best solution. This possibility not being available, for reasons not related to Israel, we must find other solutions.

['Eden] Mr Minister, senior ranking IDF officers believe Hizballah members are being trained for their attacks against the SLA in Ba'labakk in the Al-Biqa', a region under Syrian control. They arrive as a regular army and attack in quite an organized way. Can you clearly point at the Syrians as those who send Hizballah forces to attack the SLA, in fact to wage a sort of war of attrition against Israel through Lebanese territory?
[Rabin] There is no doubt that as far as Israel is concerned Syria is not only the immediate military threat to Israel, it is also the factor which aids and activates terrorism against us both in Lebanon and in countries outside of the Middle East, and it does so more than any other Arab state.

['Eden] Does Israel have the answers for these Syrian moves?
[Rabin] Certainly. There are answers on various levels: prevention, foiling attacks, active defense, and the attacks on terrorists.

['Eden] Sir, can the SLA today, after suffering 11 dead in the last week and dozens of wounded, withstand the increasing amount of attacks against it?
[Rabin] We all hope that with our aid we can prevent the recurrence of such frequent attacks against it, which have caused so many casualties for the SLA. We of course share the grief of the families of the fallen SLA soldiers, and we want the inhabitants of the security zone and the SLA soldiers to know that Israel will stand by them and prevent the creation of such a situation.

New Approach in Zone Urged

TA061150 Tel Aviv MA'ARIV in Hebrew 6 Jan 87 pp 1, 9

[Report by Yosef Walter and Refa'el Mann]

[Text] People in the defense establishment believe that an answer should be given to the strengthening of Hizballah and to its increasing attacks on South Lebanese Army [SLA] positions. "The state of demoralization currently prevailing in the SLA necessitates a reexamination of the methods of action used in the security zone, in view of the fact that in the past several months Hizballah attacked 8 SLA posts on the border of the security zone, killing some 100 of its men. [punctuation as published]

Yesterday an SLA position close to the village of Markabah again came under attack by dozens of Hizballah men and four SLA soldiers were killed. Security sources note that the attacks carried out by Hizballah on SLA posts are intended to bring about the collapse of the security zone and the dismantling of the SLA. The sources stress that these attacks are highly professional, and even an organized army would not be ashamed of such an operation. The SLA has in fact been helpless in the face of these attacks, and in the past 3 months some 250 soldiers have deserted. To the factors of demoralization and fear of attacks by Hizballah one should also add the low salaries the SLA soldiers receive: approximately $100 per month.

Senior defense establishment sources point out that these attacks have brought a different dimension to the security zone which, for a long period of time, had enjoyed relative quiet. The sources say that the present borderline of the security zone should not be regarded as a sine qua non. They mention the fact the Shi'ite villages bordering the security strip have become terrorist nests. Hizballah forces reach the south from Tyre or from the Lebanese Al- Biqa', and gain the cooperation of the locals.

The defense sources claim that the time has come to examine the IDF's activity in the security zone, which Israel should not be afraid to expand. Expanding the security zone, the sources stress, does not necessarily mean holding permanent positions in a certain area. The IDF could also operate beyond the security zone — that is, returning to the method of the "forcible patrols" adopted when the IDF was stationed on the Al-Awwali.

The sources also say that the IDF should act more forcefully and more determinedly against those spots where Hizballah members concentrate and that serve as their point of departure for attacks.

Israel has so far avoided conducting air attacks against concentrations of Hizballah members in the Lebanese Al-Biqa', in compliance with a U.S. request not to take action against this organization for fear that this might harm its efforts to secure the release of U.S. hostages being held by terrorists. Now, say the sources, the time has come to consider how the new situation should be dealt with.

Yesterday it was learned that in the attack by Air Force attack helicopters on Hizballah targets in Lebanon, seven people were injured. It was also reported that contrary to the Lebanese Forces' claim they are not assisting the Palestinian terrorists and enabling them to use the port of Juniyah in exchange for money, there is real proof that the Lebanese Forces are indeed cooperating with the Palestinians. Several days ago Amal captured a Palestinian terrorist who told his interrogators that he had reached Lebanon aboard a ferryboat that had left from Larnaca.

Prime Minister Yitzhaq Shamir promised last night that Israel would help the SLA overcome the difficulties they have been encountering lately. In an interview on Arabic television, Shamir said that there was no danger to the existence of the SLA. Shamir expressed his regret over the losses the SLA has recently incurred, adding: "We will help the SLA overcome the difficulties."

In response to a question on Israel's response to the actions by Hizballah, the prime minister said: "Those who provoke us and who increase their acts of terror will be punished."

'Amos Shteibel, Israel's ambassador in Nicosia, informed the Cypriot Foreign Affairs Ministry that Israel does not prohibit sailing in the eastern Mediterranean; rather, it carries out preventive actions against terrorists. In response to the Cypriot demand for clarifications on the interception of ships to Lebanon, the ambassador said that Israel has information about the presence of terrorists on board these ships.

No Plans To Reinforce Units

TA070952 Tel Aviv HA'ARETZ in Hebrew 7 Jan 87 p 1

[Report by Re'uven Pedatzur and Menahem Horowitz]

[Excerpt] At this stage there is no intention to significantly reinforce IDF units in southern Lebanon, senior sources in the defense establishment said yesterday. This decision was adopted despite the consecutive defeats suffered by the South Lebanese Army [SLA] at the hands of Hizballah fighters in the last few days.

The IDF is following developments in southern Lebanon with some concern. In a meeting with the defense minister yesterday, SLA Commander General Antoine Lahd voiced his view that, contrary to what is believed in Israel, the SLA's morale and military situation are no cause for concern but the IDF must in any event be prepared to extend it substantial support. For the time being, the situation is still reasonable and the SLA's military force amounts to 1,800 troops. However, if the SLA fails to strike the Hizballah fighters a painful military blow their attacks on the SLA will continue to mount.

At present, the defense establishment is leaning toward avoiding involving the IDF in the internal struggle in southern Lebanon, to the extent possible. [passage omitted]

IDF Claims Phalangists Aiding PLO in Lebanon

TA070937 Jerusalem THE JERUSALEM POST in English 7 Jan 87 p 2

[Report by defense correspondent Joshua Brilliant]

[Text] The Israeli missile boat that prevented a Cypriot ferry from completing its journey to the Christian port of Juniyah last Friday has highlighted yet another shift in Lebanese politics, in which Maronite Phalangists who butchered hundreds of defenceless Palestinians in Sabra and Shatila in 1982 are now helping PLO fighters come ashore to fight other Lebanese.

The shift apparently started some six months ago.

The contacts became so close that PLO's Chairman Yasir 'Arafat appeared on Lebanese Forces' television and thanked the Christian leadership for its help.

What this help was, 'Arafat did not say. But Israel defence sources said the Christians provided papers to help Palestinians through roadblocks. According to one report, thousands of Lebanese passports were sold to the PLO. The Christians also extended permission to land Palestinians at their key port of Juniyah, from which they would proceed to the battle lines in the war against the Shi'ites.

Why are some of the Christian leaders helping the PLO? Probably because the Shi'ites — and not the Palestinians — are now perceived as the main threat to Christian hopes for hegemony in Lebanon, and because the Palestinians are now fighting the Shi'ites. After all, the Palestinians will always be considered foreigners in Lebanon and could never claim legitimacy for any power they may win there.

Over the weekend, a REUTERS reporter in Cyprus substantiated some of the IDF claims. In a report from Larnaca, Alistair Lyon quoted un-named Palestinian sources as saying: "The Palestine Liberation Organization pays Christian militiamen to run PLO fighters safely into Juniyah and then smuggle them across Beirut's 'green line' into Moslem areas of Lebanon.

The number of Palestinians using this route has been small, according to an Israeli defence source. "There are no busloads of fighters leaving the quay at Juniyah for the south," he said.

Those who do arrive are commanders and other organizers sent to rebuild the PLO's infrastructure, he reported.

There is no shortage of potential fighters in the refugee camps of 'Ayn al-Hulwah, Al-Rashidiyah, Sabra and Shatila. "The soldiers are available but the PLO lacks the cadres to organize them and it is those cadres whom the Fatah is now trying to send in," the source said.

The personalities helping out the PLO have also been motivated by a desire to win allies for their anticipated confrontation with Syria. Thus they have strengthened their ties with Iraq and Egypt because those countries' leaders are hostile to the Syrian regime.

The monetary aspect must also be taken into account. It is not clear how much the PLO has been paying for the right to pass through the Phalangists' territory, but an Israeli source with some knowledge of the shadier aspects of Lebanese politics said such payments always involve considerable sums.

The aid to the PLO is troubling Israel, which is seeking to keep the Palestinian forces in Iraq, Yemen and other distant countries. For years, the Israel Navy has been patrolling near Moslem-controlled ports such as Sidon and Tyre to prevent a PLO return. There is a fear that the PLO may eventually turn southwards towards the security zone and towards Israel proper.

At first, Israel warned the Christians not to cooperate with the PLO and such messages were sent through channels to the Christian leadership.

When these messages and public warnings failed to make their mark, the Navy was used to hammer home the point and the Cypriot *Sunny Boat* was forced to return to Larnaca. A second ferry, the *Empress*, was stopped briefly on Saturday but allowed to continue on its journey.

The military intervention triggered Christian fears that Israel would impose a blockade on Juniyah and punish the entire Christian community.

The defence source interviewed yesterday said such fears were exaggereated. "There is no blockade of Juniyah and we have no quarrel with the majority of the Christian comminuty," he insisted.

The source also refuted a suggestion that Israel was now purposely helping the Shi'ite Amal. "That," he maintained, "is just a by- product of other developments."

Amal militiamen watching Israeli helicopters fire at Palestinian positions near Sidon may be happy to see the sight, but "there are no agreements, arrangements or other forms of cooperation with the Amal leadership," he inisted. Palestinian complaints of collusion among Israel, Syria, the U.S. and Amal are "pure baseless propaganda," he insisted.

Directors General Incorporated Into Inner Cabinet

TA061411 Tel Aviv DAVAR in Hebrew 6 Jan 87 p 2

[Report by political correspondent Yosi Melman]

[Text] Without making it public, Prime Minister Yitzhaq Shamir and Vice Prime Minister Shim'on Peres decided to permanently incorporate their directors general into the political Inner Cabinet.

The decision on this was made after the rotation during a tete-a-tete between Shamir and Peres, and since then, Yosi Beilin, political director general of the Foreign Ministry, and Yosi Ben-Aharon, director general of the Prime Minister's Office, have been participating in the Inner Cabinet's weekly sessions.

It should be noted that Vice Prime Minister and Foreign Minister Shim'on Peres opposes increasing the number of ministers in the Inner Cabinet to 12 as suggested by Prime Minister Yitzhaq Shamir who would thereby like to bring back Minister Yitzhaq Moda'i. One of Shim'on Peres' reasons for objecting to this was that that the number of Inner Cabinet members should not be increased as this would make the Inner Cabinet's work cumbersome.

ALGERIA

Ibrahimi, Iraq's 'Aziz Discuss Relations

LD062324 Algiers Domestic Service in Arabic 1900 GMT 6 Jan 87

[Text] Today at the Foreign Ministry, Algerian-Iraqi talks were conducted under the chairmanship of Algeria's Dr Ahmed Taleb Ibrahimi, member of the Political Bureau and minister of foreign affairs, and Tariq 'Aziz, the Iraqi deputy prime minister and minister of foreign affairs.

The talks began in a small-size working session that included Dr Taleb Ibrahim and Tariq 'Aziz, as well as Brother Ismail Hamdani, the secretary general of the Foreign Ministry and the ambassadors of the two countries.

The talks, which were enlarged to include the members of the two delegations, were an opportunity to assess bilateral relations and to excahnge detailed views about current regional and international political issues. They also discussed developments of the Iraq-Iran conflict and exerted efforts to find a peaceful solution for it. They also studied the current situation in the Arab west and east, and exerted efforts to close the ranks of the Palestinian resistance and unite the Arab ranks.

The two ministers also discussed current preparations for the coming ICO summit, African problems, and bolstering Arab-African cooperation.

'Aziz Meets With Messaadia

LD062338 Algiers Domestic Service in Arabic 1900 GMT 6 Jan 87

[Text] Mohamed Cherif Messaadia, member of the Political Bureau and official in charge of the Central Committee, received Tariq 'Aziz, Iraqi deputy prime minister and minister of foreign affairs, who is visiting our country, at the party's central offices this afternoon.

The meeting was an opportunity for the two sides to analyze a number of issues of mutual interest, and they exchanged views about Arab issues in the east and west, in addition to important international issues.

After reviewing the relations between the two nations, the parties of cooperation were united on the points discussed at the meeting, attended by the ambassadors of the two countries and the director of the Arab Affairs Department at the Foreign Ministry.

LIBYA

Al-Qadhdhafi Cited on Use of Force in Chad

NC070658 Tripoli Domestic Service in Arabic 0600 GMT 7 Jan 87

[Text] According to REUTER, the brother leader has stated that media reports about Libyan intervention in Chad will not prevent the Libyan forces from continuing their efforts to liberate the technicians detained there until they are successful.

The agency cited the brother leader as saying: I want to rescue them quickly and peacefully, but I will not hesitate to use force if necessary. He called on France to concentrate on its domestic affairs. He declared: Libya will hasten to help the transitional national unity government under Acheikh ibn Oumar should there be an escalation of French-U.S. intervention in Chad and should Habre's forces go north of the 16th parallel.

JANA African Affairs Editor on Shultz Trip, Chad

LD061857 Tripoli Voice of Greater Arab Homeland in Arabic 1230 GMT 6 Jan 86

[Text] It was announced in Washington that the Jew George Shultz, the American secretary of state, will today start a visit that will include six African countries: Senegal, Kenya, Cameroon, Liberia, Ivory Coast, and Nigeria. Voice of America mentioned that the Jew Shultz will discuss what it described as security concerns and the situation in Chad. The JANA African affairs editor has commented on this dubious visit saying:

The U.S. role, which is hostile to the African peoples, is not a secret to anybody anymore. History keeps in its memory hundreds of terrorist conspiracies that the U.S. War Ministry and the CIA hatched against the African peoples and their revolutionary leaders.

The editor added that raising the Chadian issue in this dubious visit, besides being blatant interference in the African internal affairs, represents a new attempt of U.S. imperialism to conspire against the Chadian people and involve some reactionary African regimes that still surrender their reigns to the white colonialists in the conspiracy against the Chadian people. It is also aimed at transforming Chad into an imperialist base in the heart of the African Continent as a prelude to the domination anew of the peoples of the black continent and their destinies.

The JANA African affairs editor points out that the African struggling peoples know very well the dimensions of the U.S. plan to fan the fire of the war and heighten the fighting in Africa and that its crocodile tears over the fate of the continent are believed only by the naive agents. It is the first, main, and unreserved supporter for the racist regime of South Africa in its repeated aggressions against the African peoples. It is participating now in the war of elimination against the sons of the Chadian people. The editor for African affairs urged the dynamic forces in Africa to face this new imperialist colonialist conspiracy, to resist it, and to shake the African land under the feet of the U.S. secretary of state in the U.S. Administration and all those who represent the ugly American face.

The editor concludes by stressing that the struggling African peoples who faced imperialism and colonialism in heroic battles to achieve their independence are able today to destroy the power of the agent symbols planted by imperialism to colonize the continent anew and to subjugate its peoples.

JANA Editor on French-U.S. 'Plot' Against Libya

LD061718 Tripoli Domestic Service in Arabic
1330 GMT 6 Jan 87

[Text] Various international media have reported on the U.S.-French support for the rebel Habre clique in Ndjamena and on the determination of France and the United States to escalate their flagrant military interference in Chad through the dispatch of more troops and military hardware to that country.

Commenting on these developments in the Chadian arena adjoining the southern Libyan Arab borders, the JANA regional affairs editor said: Those following the sequence of events in the region, together with its background, cannot but realize that all these events stem fully from a NATO plot, a plot that is aimed at striking the Libyan Arab revolution because it is seen as a dangerous instigator that seeks to liberate the Arab nation and break the backbone of the imperialist's policy and that of its lackeys: the reactionaries of the Arab arena and Africa in general.

The editor affirmed that the U.S. and French efforts to heat up Libya's southern front was no more than another attempt to contain the tide of the Green Revolution and its mass appeal. This follows the harsh, historical defeat they suffered in the past on the northern front when the United States and its stationary aircraft carrier, Britain, carried out a barbaric NATO aggression against the Libyan Arab people and bombed the house of the commander of the Great 1 September Revolution. Now the United States is entering into another Atlantic alliance with France to attempt what had previously failed, but this time from the south. The editor stressed that the issue now, as far as the Libyans are concerned, is an issue of dignity and pride in Africa. If the Atlantic alliance wants to topple the green [Libyan] flag, then it can only do so over the dead bodies of Libyans, after the remnants of the Atlantic crusaders, who are hostile to other nations, have been wiped out. If France and the United States want to carry out an adventure under the pretext of defending their honor, then the Libyans are entitled to accept [yaqbalun] such an adventure for the sake of the honor and dignity of Libya. The issue now is an issue of dignity and defiance.

VOGAH: Zaire Aiding Imperialism in Chad

LD070204 Tripoli Voice of Greater Arab Homeland
in Arabic 0015 GMT 7 Jan 87

[Text] A responsible source at the People's Committee of the People's Bureau for Foreign Liaison stated that the Zaire hireling regime's dispatch of units of its armed forces to Ndjamena at the order of imperialism — which the Zairean regime insists on implementing as it is the faithful protector of the imperialist interests in Africa — in addition to the direct U.S.-French interference in Chad are an internationalization of the Chadian issue. The aim of this internationalization is to create a base and (? a justification) for colonialist interference in Africa and to threaten [words indistinct] of the neighborly countries of Chad and [words indistinct] the continent.

In its statement to JANA, the source called on the African countries to stand firmly and strongly against the imperialist conspiracies to strike the African Continent and abort efforts to achieve peace and progress for its peoples.

The source pointed out that the current tour by Shultz the Jew of some African countries is to completiethe ring of conspiracies around the African Continent. The source said that the African countries are now more than ever before required to understand what is being plotted against them: conspiracies and attempts to throw doubt on their destiny and on the credibility of the OAU to solve the Chadian problems and establish security and stability in the continent.

MOROCCO

Prime Minister To Visit Portugal 13-15 Jan

LD070917 Rabat MAP in French 1530 GMT 6 Jan 87

[Text] Rabat, 6 Jan (JAP) — Moroccan Prime Minister Dr Azzedine Laraki will make an official visit to Portugal from 13 to 15 January at the invitation of his Portuguese counterpart, Mr Anibal Cavaco Silva, according to a communique published on Tuesday in Rabat.

This visit, continues the communique, is the first to be made abroad by the Moroccan prime minister since his appointment to that post in September 1986.

Morocco and Portugal are linked by several economic, cultural and commerical agreements.

SUDAN

Al-Mahdi: Sudan Will 'Not Play Any Role' in Chad

JN062008 Khartoum SUNA in English 1750 GMT 6 Jan 87

[Text] Khartoum, Jan. 6 (SUNA) — Prime Minister al-Sadiq al-Mahdi announced here Tuesday that Sudan is following with regret what is taking place in Chad and would not play any role in the ongoing war there.

Al-Mahdi who called on the State Council today confirmed the Sudan's readiness to support the reconcilation between the Chadian factions and the neighbourliness between Chad and Libya.

Al-Mahdi said Sudan is looking forward to a unified and stable Chad.

Sudan's Al-Hindi on Relations With Egypt

JN061740 Cairo AL-MUSAWWAR in Arabic
2 Jan 87 pp 52-54

[Interview with Al-Sharif Zayn al-'Abidin al-Hindi, deputy prime minister and minister of foreign affairs, by Sana' al-Sa'id in Cairo on 28 December 1986]]

[Text] [Al-Sa'id] With the beginning of 1987, setting aside the usual verbal cliches and taking into consideration the real substance of Egyptian-Sudanese relations and the forthcoming

Islamic summit in Kuwait, I would like to ask: Are relations still receding, unsettled, and vacillating? The cancellation of integration has been viewed as a blow to promoting relations. Moreover, excessive sensitivities often obstruct any promotion of relations.

[Al-Hindi] First I will dismiss all the words you used to describe Egyptian-Sudanese relations as though they were overcast by dark heavy cloud. I would like to say that the real and essential relations among our peoples are not overcast by such a cloud. The relationship between the Sudanese and Egyptian peoples dates back 7,000 years. Consequently, it is difficult for anyone in the 20th century to describe this relationship as unsettled, vacillating, and receding.

[Al-Sa'id] But there are sensitivities that are difficult to overcome.

[Al-Hindi] There could be no sensitivities because the Egyptian-Sudanese relationship is stronger than any sensitivity that may overtake it because it has historical roots.

[Al-Sa'id] What does the cancellation of integration mean then?

[Al-Hindi] Nobody has cancelled the integration. This did not happen. What happened is that integration took place in the complete absence of the Sudanese people's representatives. The Sudanese people were not present when integration was reached.

[Al-Sa'id] And that is why it was cancelled?

[Al-Hindi] It was not cancelled but suspended, pending a review by those holding the reins of power.

[Al-Sa'id] But this suspension has taken such a long time that hopes begin to dwindle.

[Al-Hindi] It has taken a long time because the economic situation in the two countries requires such a pause. The two countries should sit together to study the new picture of popular integration so it will not be an imposed integration. Accordingly, I can affirm that integration between the two countries has not ceased for a single moment.

[Al-Sa'id] Emotions ran high when the Egyptian forces were accused of entering Hala'ib.

[Al-Hindi] I have never heard of such an accusation. Moreover, Egypt is too considerate of Sudan to encroach on its territory.

[Al-Sa'id] What about Al-Sadiq al-Mahdi's visit to Egypt?

[Al-Hindi] A joint committee from the two parties will meet to formulate Egyptian-Sudanese relations. At the end of this committee's mission a date will be set for the prime minister's visit to Egypt and that will be in the near future.

[Al-Sa'id] Sudanese officials have often stressed that the policy of polarization is not in Sudan's interest. This has always been used as an argument against establishing strong ties with Egypt in line with Sudan's desire to adopt a more balanced policy. I wonder if you have now attained the minimum level of good neighborliness?

[Al-Hindi] There is no doubt that our relationship with all parties to the dialogue are good. What we see with our eyes and feel with our hearts is that our relationship with anyone will never come at the expense of our relationship with Egypt. We seek to enhance our relations with other countries, be they Arab or African, including Egypt. This is because our relations with Egypt are close, longstanding, and genuine. When we come to Egypt we do not do so as diplomats or guests, and when we enter Cairo we feel we are entering Khartoum; this applies to thousands of Sudanese people.

[Al-Sa'id] What about the possibility of adopting a more balanced and more neutral foreign policy toward Sudan's eight neighbors? Can this apply to countries like Libya and Ethiopia although some believe this to be impossible?

[Al-Hindi] It is not impossible at all. For instance, we hold our relationship with Egypt in our hearts, and we contact our brothers in Africa and the Arab world. We also contact Egypt whenever Sudanese-Egyptian interests in neighborly relations differ, especially since Egypt also seeks good neighborly relations. Hence, there is no conflict in our positions and objectives.

[Al-Sa'id] What about Ethiopia and Libya in particular?

[Al-Hindi] Ethiopia knows the extent of our close ties with Egypt; Libya, too, understands and appreciates this. We have seen nothing to indicate that Ethiopia views our historical relationship with Egypt with suspicion, nor have we sensed any negative feelings on Libya's part regarding our true links with Egypt. After all, this relationship is basic and has possibilities that might actually make Tripoli join it in the future.

[Al-Sa'id] In a form of unity or what?

[Al-Hindi] I believe beyond any doubt that the first step for any successful unity in the Arab world should be undertaken by Egypt, Sudan, and Libya.

[Al-Sa'id] Has the ground now been paved for unity among these three countries?

[Al-Hindi] Yes, because the present Arab situation requires unity, an exchange of opinions, and coordination of domestic and foreign policies. Even the general situation in the region is pushing matters toward this unity.

[Al-Sa'id] It is then a unity of stands and not a merger of the three countries?

[Al-Hindi] The unity of stands leads to merger and the successful unity survives even if it is initially called a unity of stands. This unity of stands leads to merger as long as it is successful, influential, and interacts with events.

[Al-Sa'id] The Sudanese leadership is still accusing Ethiopia of backing the rebel movement in the south. In the meantime, Ethiopia is still viewing you with suspicion. Hence, solving the problem of the south requires one of two things: either Sudan must convince Ethiopia of Sudan's sincere intentions and, consequently, take its hand off the rebels,or the rebels must move away from Ethiopia and from a military solution. Which of the two is more applicable under the current circumstances?

[Al-Hindi] Both are possible. Ethiopia's poor opinion of Sudan is baseless and unrealistic. We have no ambitions against Ethiopia, and throughout the past years, beginning with the era of the emperor and down to Mengistu's era, we have not at all tried to strain Ethiopian-Sudanese relations. In contrast to this, Ethiopia actually not only assists the rebel movement but also backs it militarily and financially and gives it bases. All the rebels' thrusts spring from Ethiopian territory.

This will end up in one of two ways: Either the rebels themselves will discover that they are Sudanese in the first place and will then be convinced to sit at the round table that has been open for negotiations since this government's assumption of power, or Ethiopia will be convinced of the unfeasibility of using nationalists against their own country and will see that using them will not lead to any success but to dangers which Ethiopia itself fears. We have lodged a complaint with the OAU against Ethiopia on the grounds that its actions encroach on relations of good neighborliness and OAU laws. It is convicted in this regard and deeply involved up to its ears. So far Ethiopia has been unable to prove Sudan is instigating any action or rebellion against it because Sudan has no interest in doing so. All Sduan is doing is sheltering Eritrean refugees.

[Al-Sa'id] And this is what Ethiopia blames you for.

[Al-Hindi]Seeking refuge with neighboring countries takes place in accordance with an international law that is recognized even by Ethiopia itself. Ethiopia is also one of the signatories to this law.

[Al-Sa'id] This means you are helping the rebels.

[Al-Hindi] This has never happened. Ethiopia must prove we are helping the Eritreans military against it. Thus far, it has not been able to prove that.

[Al-Sa'id] Al-Sadiq al-Mahdi's visit to the USSR in 1986 is believed to have been to make the Soviets pressure Ethiopia to take its hand off the rebels' movement in the south, a matter which has so far not taken place.

[Al-Hindi] The prime minister visited the USSR to explain the new government's viewpoint on all matters taking place in Sudan, including the rebellion in the south. He explained the Sudanese viewpoint in detail so the Soviets would not be misled by others.

[Al-Sa'id] But has the USSR put any pressure on Ethiopia?

[Al-Hindi] Sudan has not asked them to use any pressure. As I have said, the prime minister's visit was to explain things taking place in Sudan.

[Al-Sa'id] Soviet officials have denied and refuted reports that Ethiopia is supporting the rebels with money or hardware.

[Al-Hindi] The information which those people have might be incomplete. However, Ethiopia's support for the rebels is evident to us. In fact, the rebel movement does not exist in the south, as it launches its operations across the border to kidnap people, strike at targets, and destroy warehouses. After carrying out operations, the rebels return to their bases. Their camps are, in fact, inside Ethiopia, not in southern Sudan.

[Al-Sa'id] What now after the round of negotiations between Al-Mahdi and Garang in July, which were soon suspended following the downing of a civilian airliner in August? Is there a ray of hope that these negotiations will be resumed, or is the military solution now the alternative?

[Al-Hindi] A military solution is the last thing the Sudanese Government wants because it is completely certain that the rebel movement is fabricated and does not possess the means to survive. It also lacks the grounds to claim that it is a worthwhile local movement. Moreover, Garang's behavior proves that his movement is encouraged by others, with many other hands at work. It is a movement that bears no relation to the evident facts of life in Sudan, because John Garang has turned a deaf ear to all meetings. He refused to sit with the prime minister at the negotiating table to determine the date of the constitutional conference and failed to cooperate with the Ministry of Peace which was established especially for this movement.

[Al-Sa'id] It has been said that the September 1983 laws on the application of Islamic Shari'a are considered a factor causing the continuation of the southern problem.

[Al-Hindi] There is no connection. The [rebel] movement emerged before these laws. The movement is linked with foreign pressures and support. This movement was established in Sudan for the fifth or sixth time. This movement appears, and then it dies. Foreign forces give it life again to stand against the people. Its existence depends on foreign forces.

[Al-Sa'id] Recent reports say Ethiopia believes its future can only be secured if Marxist petty states are established around it, such as in southern Sudan and Somalia. What will be your stand if these reports prove to be correct?

[Al-Hindi] We will remain steadfast until these movements die because neither Sudan nor southern Sudan will become Marxist.

[Al-Sa'id] To contain the problem of southern Sudan, Al-Sadiq al-Mahdi suggested an initative to form a regional peace pact with Ethiopia. Can we rely on a thing like this today to end the accusations between Sudan and Ethiopia?

[Al-Hindi] Undoubtedly, the prime minister has something to base his remarks and belief on. In the past, Sudan mediated between the Eritrean liberation movements and the Ethiopian regime because it was convinced of OAU decisions. Sudan cannot employ Eritrean movements against Ethiopia. By the same token, Sduan cannot allow Ethiopia to employ the rebel movement in the south to undermine its stability.

[Al-Sa'id] When I asked Egyptian officials why Egypt did not mediate between Sudan and Ethiopia to heal the rift, they said

Egypt was fully prepared to do that on condition one of the two sides asks for that.

[Al-Hindi] There is no doubt that if we had needed such mediation our Egyptian brothers would have responded, because they are fully aware of this problem, which is a top priority for them. So far we have had no need of any mediators.

[Al-Sa'id] But Kenya is playing the role of a mediator.

[Al-Hindi] We have not asked Kenya to play any role. Nevertheless, it is trying to mediate. The State Council deputy chairman said that during his recent visit to Kenya the Kenyan Government expressed readines for mediation and that during the next few days there would be concrete steps by the Kenyan Government to propose negotiations to end the rebellion in the south. He denied any knowledge of any anti-Sudanese actions being carried out from Kenya. Despite this, I believe Garang will be unable to leave Ethiopia to meet with mediators in Kenya. I doubt he will be able to do that.

If Egypt wants to play such a role we will welcome it. But I believe that too much mediation effort may give more weight to the rebellion movement. We view this movement from a different angle. Mediation between us and Ethiopia is another thing because the rebellion movement conducts its activities from Ethiopian territory. Therefore, the African states, including Egypt, should blame Ethiopia because the rebellion comes from its territory in violation of the OAU Charter. Although there are several rebellion movements around us, we do not allow any of them to use our territory to interfere in other countries' affairs. We hope that neighboring countries suffering from domestic and border problems will follow our example.

We are capable of being patient and enduring a great deal. At the same time, we are confident that the current movement in the south is a small movement that has nothing to do with internal affairs, the national issue, or the Sudanese question. It is a foreign movement and is too weak to have bases in Sudan.

[Al-Sa'id] As mediations cannot be taken seriously and as the problem should be solved by Sudan itself, what prevents you from holding a meeting with Ethiopia on the foreign ministers' level?

[Al-Hindi] I agree with you that any solution should be a Sudanese one. When I visited the United States, I held a prolonged meeting with the Ethiopian foreign minister who later fled Ethiopia. Now I am trying to open a dialogue with the new Ethiopian foreign minister, and I hope a meeting between us will take place in the near future.

[Al-Sa'id] This means that problem of the south is a top priority for Sudan.

[Al-Hindi] Yes. We welcome John Garang's recent announcement that he is ready to begin negotiations without conditions. This will be a good step if Garang abandons his obstinacy, resorts to patriotic motives during the dialogue, and proves that neither Ethiopia nor any other country has influence over him and that he is a Sudanese facing a domestic problem. These are the government's proposals and Garang should be honest in his call, prove he is a Sudanese nationalist, view the problem as a domestic problem to be solved in cooperation with his Sudanese brothers, and respond to the government's slogans: namely, the establishment of a Ministry of Peace and Unity, and the proposed constitutional conference and dialogue.

[Al-Sa'id] The possibility that Sudan will play a role in Chad remains ambiguous. What is your opinion. Especially since there are reports about the presence of a large number of Libyans near the Sudanese-Chadian border? Have your worries about the course of events in Chad diminished now, especially since there are indications of large-scale Libyan interference there and of a Libyan desire to maintain control over north Chadian affairs?

[Al-Hindi] First of all, I deny the presence of Libyan troops inside Sudan along the Chadian border. I categorically deny that. Secondly, we are calling now, as we have in the past, for the unity, stability, and progress of Chad. During the transitional government's term we have always expressed our readiness to mediate among the conflicting parties so that the situation in this country, which has suffered a great deal and was exposed to great destruction, will be stabilized. What is happening in Chad has also given rise to concern in Sudan over the situation along our western border. Additional refugees have been coming in, and this might be a problem for us in the future.

[Al-Sa'id] You do not then object to pressuring Libya into easing its impact on Chad?

[Al-Hindi] We do not have any information of a Libyan role or impact in Chad so we cannot ask to alleviate it.

[Al-Sa'id] And if you get such information?

[Al-Hindi] If we get such information we will naturally do so, but nothing has been obtained so far.

[Al-Sa'id] How true are the reports of your support for extremists against Uganda?

[Al-Hindi] These claims are baseless, and our relations with Uganda are excellent. A joint ministerial committee has been set up to prevent rebel movements from operating against either country. Uganda and Sudan have also reached complete agreement on maintaining border security. Supplies are now safely flowing to southern Sudan through Ugandan territory.

[Al-Sa'id] Sudan's recent approach to Iran following Al-Sadiq al-Mahdi's visit there has raised more than one question, especially since this approach is not in harmony with the Sudanese leadership's principle of seeking harmonious relations based on common interest and not at the expense of various neighbors.

[Al-Hindi] First of all, the present Sudanese Government's mission is to contact all international parties to introduce itself to them and to begin a new balanced course of relations with them. We should not forget that Sudan can play a noticeable role in ending the Gulf war between Iraq and Iran. Al-Sadiq al-Mahdi is a responsible man who can undertake this task. He cannot remain silent over a war that is exhausting two sisterly Islamic states. Therefore, he must help alleviate tension. This was perhaps the main task of his visit to Iran.

Before visiting Iran he visited Iraq shortly before the elections and was briefed on the Iraqi viewpoint. The State Council chairman also visited Iraq in September. Al-Sadiq al-Mahdi's visit to Iran was an opportunity to hear the Iranian viewpoint. He is now preparing his proposals as a prelude to mediating an end to this long conflict between the two countries.

[Al-Sa'id] There are a number of problems facing Sudan in addition to the problem of the south. These include the economic problem, accelerating prices, and the debt problem. Do you think that Sudan has given proof that it is capable of solving these problems?

[Al-Hindi] God be praised, we have survived the grinding economic crisis that resulted from the drought and desertification. We are now putting our problems in order with the IMF, which admits and recognizes that Sudan's economy is better than it was during the defunct regime. The IMF is now studying the economic situation with the experts, and we hope the IMF will continue cooperating with us now that the soundness of our economy is apparent and that this economy can rise again. The soundness of our position is proven by the fact that we have reached agreement with a number of states — includingItaly, Japan, and West Germany — to reschedule Sudan's debts. Other states, such as the Netherlands, France, and Denmark, showed readiness to do the same.

[Al-Sa'id] You have often blamed the Sudanese Islamic Front for instigating trouble and staging demonstrations, especially the recent ones. Do you think that the Islamic Front constitutes a real threat to democracy?

[Al-Hindi] It is not in the interest of the Islamic Front to constitute a threat to the current democracy, because in its present democratic form, Sudan is open to all the ideas that exist within the country. The various viewpoints fully enjoy the democratic climate. The issue in Sudan is that of presentation and acceptance. As for demonstrations, they are a permanent aspect of democracy; they do not bother us at all.

[Al-Sa'id] What is the truth behind the recent rumors that followed Al-Mahdi's meeting with Dr Hasan al-Turabi; namely, that the National Front is expected to participate in the government?

[Al-Hindi] The Democratic Unionist Party always raised the slogan of a national government, because bearing the national responsibility is part of the joint work of all parties in Sudan. As a party, we do not mind widening the government's base to include all parties.

[Al-Sa'id] The new legislations, which will replace the 1983 laws, are expected to be announced soon. When will these legislations appear, given the current assertions that the Shari'ah laws will not be canceled until new laws based on Islamic law are enacted?

[Al-Hindi] I believe the attorney general is now busy putting the final touches to the constitutional legislations with the aim of presenting them to the cabinet prior to presenting them to the constituent assembly. Therefore, these legislations are expected to be announced within 2 months.

Al-Hindi Says Sudan Ready to Host Islamic Summit

JN060926 Khartoum SUNA in English 0913 GMT 6 Jan 87

[Text] Khartoum, Jan 5 (SUNA) — Deputy Premier and Foreign Minister Zayn al-Din al-Abidin al-Hindi said that Sudan is ready to host the 5th Islamic summit conference scheduled to be held in Kuwait current January, in case that Iran refused to attend the conference in Kuwait.

Sudan is keen that all the Islamic countries participate in the conference because it will discuss vital issues in the Middle East and Islamic world arenas, Al-Hindi said in a statement to the daily *Al-Siyasah* published here today.

The conference will discuss the issue of the Iraqi- Iranian war in details, Al-Hindi added.

Al-Hindi said that Premier al-Sadiq al-Mahdi will visit Iraq in the near future, and in the light of this visit the Sudanese plan for ending the war between Iran and Iraq will be announced.

There is no problem between Sudan and Egypt, Al-Hindi said, adding the two countries relations have to be based on serious scientific points of view.

Al-Banna Receives State Department Official

JN061439 Khartoum SUNA in English 0916 GMT 6 Jan 87

[Text] Khartoum, Jan, 6 (SUNA) — Deputy Director of the US State Department's Office for East Africa Affairs Robert E. Gribbin has ruled out any initiative by his country to stop the fighting in southern Sudan.

Gribbin who is currently on a visit to the country met yesterday with Supreme Council Vice-President Idris al-Banna and discussed with him bilateral relations, the south and relief operations issues.

He told SUNA that the US was supporting all efforts aimed at finding out solutions to the problem as well as the steps taken so far by the Sudanese Government to realize a peaceful solution.

Commenting on the relief situation, Gribbin said there were considerable amounts of relief stuff stocked in Kenya "and we are working in collaboration with the Sudanese Government and relief organizations to deliver them to the affected population."

Sudanese-Libyan Committee Meets in Khartoum

JN061603 Khartoum SUNA in Arabic 1415 GMT 6 Jan 87

[Text] Khartoum, 6 Jan (SUNA) — Foreign Affairs Minister al-Sharif Zayn al-'Abidin al-Hindi has paid tribute to the Socialist People's Libyan Arab Jamahiriyah for the unlimited support it has been giving to Sudan and for the support it gave to the

Sudanese people in their struggle against the military rule, which was a puppet manipulated by foreign forces.

In a speech during the opening session of the joint Sudanese-Libyan ministerial committee meetings, which began here today and which will continue for 3 days, Al-Hindi, head of the Sudanese side at the meetings, expressed complete confidence that these meetings would be crowned with success and would benefit both countries, the Arab nation, and Africa.

Kamil Hasan Mansur, foreign liaison secretary of the General People's Committee and head of the Libyan side at the talks, also delivered a speech emphasizing the strength of the fraternal ties binding the two peoples. He indicated that no foreign powers whatsoever can sever the strong bilateral relations. He added: We are working toward developing bilateral relations to join the two peoples in a common struggle benefiting both peoples, the Arab nation, and the African Continent.

Afterward, three technical, political, and economic committees was formed, as was a cultural, information, and educational committee. Each committee comprises a group of specialists from various ministries and agencies. These committees will issue their recommendations in a joint statement.

Al-Mahdi Meets Italian Defense Minister

JN061443 Khartoum SUNA in English 0910 GMT 6 Jan 87

[Text] Khartoum, Jan. 6 (SUNA) — Premier Al-Sadiq al-Mahdi yesterday met with the Italian Defence Minister Spadolini who stopped over Khartoum airport enroute to Somalia.

The Army Commander in Chief Gen. Fawzi Ahmad al-Fadil who attended the meeting said they discussed the proposed visit by Italain defence minister to Sudan.

He said Spadolini promised to dispatch a high level Italian military delegation to Sudan for negotiations with the Peoples Armed Forces Command. He did not elaborate.

Spadolini on Italian Hostages

AU061833 Rome ANSA in English 1023 GMT 6 Jan 87

[Text] (ANSA) Khartoum, January 6 — "Cautious optimism" was the order of the day in Italian circles here as visiting Defense Minister Giovanni Spadolini refused to comment on efforts to obtain the release of two Italian construction experts held hostage by anti- government rebels in Ethiopia.

Denying reports circulating at the weekend, Italian sources said Monday that the two hostages, Dino Marteddu and Giorgio Marchio, are still in Ethiopian territory.

The kidnapping during an attack on a construction camp in which forty Ethiopians were killed was claimed by the Ethiopian People's Revolutionary Party (EPRP), whose bases are in Sudan. It is believed the two Italians are being taken there.

After his meeting with Sudanese Premier Sadiq al-Mahdi, Spadolini reported that they had agreed the case is very complex, with very delicate legal aspects and aspects of international law.

Italian sources said a rapid solution may be possible thanks to the Sudanese premier's "personel" initiatives in that he enjoys unquestionable prestige in the Horn of Africa.

Precisely because of al-Mahdi's role, Spadolini clamped down a press blackout Monday evening. "Talking too much risks ruining the efforts we are making", Spadolini warned.

In a similar vein, the Italian ambassador in Khartoum would neither confirm nor deny whether he had been in contact with the EPRP, which has an office here.

"These are questions you shouldn't ask me", he told reporters, also saying that Spadolini's formula of "cautious optimism" has "a foundation".

(In Rome, Italian Foreign Undersecretary Francesco Forte, who is in charge of the Italian Aid Fund, the organisation funding the construction project in Ethiopia, said in a television interview he had received a letter in which the two Italian said they were "confident and well").

(Forte would not disclose how he had received the letter, but he confirmed that thanks to the Sudanese Government's help, the Italian Government has managed to make contact with those holding the hostages."These organisations have said they will be handed back without conditions", he said).

(In other developments, the Italian prime minister's diplomatic adviser released a communique asserting that "signals" have reached the Italian Government indicating a "positive solution to the case in the near future").

According to reliable sources here in Khartoum, Spadolini and al- Mahdi also discussed the situation in the Horn of Africa, in the Gulf (al-Mahdi has just returned from Iran), and in Chad. Al-Mahdi told Spadolini, whom he met in Rome just a month ago, he sees a "further aggravation" in the Horn of Africa.

Al-Mahdi Cited on Administration of South

JN070737 Khartoum SUNA in English 1745 GMT 6 Jan 87

[Text] Khartoum, Jan. 6 (SUNA) — Prime Minister al-Sadiq al-Mahdi has dismissed as baseless talks on any violation of the constitution regarding the administration of southern Sudan and said the latest government decision was close to the spirit of the constitution.

Al-Mahdi said in a meeting Tuesday with the State Council that the 1972 Addis Ababa accord on the southern Sudan stipulates for the administration of southern Sudan by a High Executive Council elected by a Regional Assembly. In the absence of a regional assembly, and the de facto presence of three regions outside the context of Addis Ababa agreement, there remains a precarious legal situation in southern Sudan, Al-Mahdi said.

Al-Mahdi acknowledged that any measure on southern Sudan administration would be provisional and there will be an improvement of the present situation as well as development of southern Sudan. This situation which should be based on an agreement among the southerners will be so until the convention of a constitutional conference next March or April, Al-Mahdi said.

Al-Mahdi Meets With SSPA

EA070055 Omdurman Domestic Service in Arabic 2130 GMT 5 Jan 87

[Text] In a statement to the radio on the question of the administration of the south, Prime Minister al-Sadiq al-Mahdi said that yesterday evening he had met Mr Samuel Aru Bol and Peter Gatkuoth Gwal acting on behalf of the Southern Sudanese Political Association (SSPA). He had discussed with them the question of the administration of the south. He added that during the meeting, they had agreed to suspend the new measures concerning the administration of the south and that the SSPA would work with other southern parties to arrive at an agreement in 2 weeks time. During this period, the current administrative system of the south would continue.

Meanwhile, the SSPA yesterday issued a statement to the masses of the Sudanese people, in which it said that it had agreed with the prime minister that the government would stop the appointment of the proposed higher coordination council for southern Sudan, that the association would cooperate with all parties and southern political groupings to reach an agreement on the administration of the south within 14 days, and that the present administration of the south would continue during this period.

Anyanya-II Issues Statement

EA070056 Omdurman Domestic Service in Arabic 1930 GMT 6 Jan 87

[Text] The Political Bureau of the Anyanya-II Movement issued a statement today in which it stressed the need for leaders to respond to the demands of the citizens of the south and to appoint civil governors to the south, as well as to the northern regions, according the system agreed on for the administration of the south, including the establishment of the coordination council based on the basic principles of the April uprising and the interpretation of the slogans of freedom, democracy, and equality in all regional affairs.

It should be noted that the statement added that the Anyanya-II Movement stressed its support for the desires of the citizens of the south. It also emphasized their role in ensuring security and stability.

Military Situation Described

JN062111 Khartoum SUNA in Arabic 1730 GMT 6 Jan 87

[Text] Khartoum, 6 Jan (SUNA) — General Fawzi Ahmad al-Fadil, commander in chief of the People's Armed Forces, has confirmed that the Armed Forces currently have the initiative and are pursuing the remnants of the rebels, who have lost their balance as a result of the concentrated and strong blows the Armed Forces have been dealing them.

In a statement to SUNA today, Fawzi said: The rebels' remnants have changed their previous strategy, based on launching collective attacks, and have disintegrated into disorganized groups lacking self-control and discipline. He added that they have become like highway robbers who are devoid of all capabilities and who are inclined to flee battlegrounds.

Fawzi emphasized that the security situation in the three southern regions is very stable and that stability and tranquility prevail in these regions, thanks to the distinguished performance of the Armed Forces.

The commander in chief of the People's Armed Forces paid tribute to the breaking of the siege of Bor, which he condenamed Operation Rendezvous of Heroes, and said this operation resulted in a great triumph for the Armed Forces, adding that this triumph has extremely weakened the rebel movement. He pointed out that the Armed Forces entered Bor after they had crushed the rebel forces following a long march which began in Juba. He said the meeting of the Armed Forces troops coming from Juba with the forces stationed in Bor was truly a rendezvous of heroes. Fawzi praised the forces stationed in Bor, which remained steadfast during the 23-month siege,and said that these forces set an example in courage, sacrifice, and discipline and that they courageously defended Sudan's honor and the Sudanese soldier's bravery.

Fawzi also praised the Sudanese Air Force, which supplied Bor during the siege with supplies and ammunition through airdrops carried out with an unlimited degree of effectiveness and accuracy thousands of kilometers away and in extremely difficult weather conditions.

The commander in chief of the Armed Forces emphasized that the supply and logistical situation in the south is very good. He added: Presently, supplies continue to reach Juba, Waw, Malakal, and other points under the protection of the Armed Forces. Fawzi said the Armed Forces General Command has begun to draw up plans to improve and modernize the Armed Forces through applying continuous training, introducing modern and sophisticated equipment, maintaining the soldier's fighting spirit, and caring for the individual soldier. He emphasized that the Armed Forces General Command considers the individual as the key factor in military strategy.

KENYA

Moi, Italian Company Head Discuss Development

AU051132 Rome ANSA in English 1022 GMT 5 Jan 87

[Text](ANSA) Nairobi, January 5 -- Franco Reviglio, president of ENI, the Italian state fuel holding company, is in Kenya on a private visit and Sunday was received at the Kabarak Palace by Head- of-State Daniel Arap Moi.

The two men reviewed opportunities for Italian participation in Kenya's development in a wide range of economic sectors.

Arap Moi recalled that over the past two years Italy has given Kenya a total of 150 million dollars in aid. He added Italian investments here would always be welcome.

For his part, Reviglio noted that Kenya's stability offered favorable investment opportunities.

Present at their encounter was Kenyan Energy Minister Nicholas Biwott, Finance Minister George Saitoti, and the Italian ambassador to Kenya, Giovanni Luigi Valenza.

SOMALIA

President Barre Speaks on Relations with USSR

EA061427 Mogadishu Domestic Service in Somali 0330 GMT 6 Jan 87

[Excerpts] Challe Mohamed Siad Barre was sworn in yesterday as president of the country for the next 7 years after the Somali people elected him directly. [passage omitted]

Somali Democratic Republic [SDR] President Challe Mohamed Siad Barre in his speech after the swearing in thanked the Somali people for their confidence and unity during the elections on 23 December 1986. [passage omitted]

Turning to Somalia's relations with Africa and the Arab world, SDR President Challe Mohamed Siad Barre stated that, on the one hand, these are based on Somalia's vanguard role in the achievement of freedom, the realization of the rights of people to decide their own destiny, and the need for peaceful coexistence among African countries. On the other hand, Somalia is a member of the Arab League, which makes it obligatory at all times for Somalia to strive to strengthen and deepen its fraternal relations with other member states. The president added that in pursuit of this obligation the SDR has held talks with the PDRY in a bid to improve relations between the two countries.

The president also noted that the SDR has opened talks with the Soviet Union in an effort to improve relations between the two countries in the interests of the two sides. The president added that the Somali Government will continue with the talks to achieve fruitful results, in view of the fact that the Soviet Union is one of the major powers charged with the responsibility of safeguarding world peace and stability and reducing nuclear weapons. [passage omitted]

Italy's Spadolini Holds Talks with Ministers

EA070346 Mogadishu Domestic Service in Somali 1115 GMT 6 Jan 86

[Text] Talks on the improvement of defense cooperation between Somalia and Italy started today at the Ministry of Defense Headquarters in Mogadishu between officials from the Somali Democratic Republic [SDR] Defense Ministry and the delegation led by the Italian defense minister. Somalia was represented at the talks, which took place in a friendly atmosphere, by Challe Lieutenant General Mohamed Ali Samantar, first vice president and minister of defense; Brigadier General Ahmad Sahal 'Ali; Brigadier General Adan Abdullahi Nur, assistant minister in the Ministry of Defense; and other officials. Italy was represented by Defense Minister Giovanni Spadolini and his delegation, who are on a visit to our country.

Before the talks, Giovanni Spadolini, accompanied by Challe Lt Gen Mohamed Ali Samantar, laid wreaths at the (Daljirka Dahson) monument and the Italian war cemetery, where they were saluted by units of the Somali Armed Forces.

Dr Abdurahman Jama Barre, the SDR foreign minister, also received Spadolini and his delegation today in his office and discussed further strengthening the relations and cooperation between Somalia and Italy.

CHAD

Libyans 'Defeated' in North; French Send Weapons

AU061741 Paris AFP in English 1727 GMT 6 Jan 87

[Excerpts] Paris, Jan 6 (AFP) — Chadian Government forces and former rebels loyal to ex-president Goukouni Oueddei attacked and defeated a Libyan column in the far north of the country Tuesday, Chad's ambassador in Paris, Ahmad Allam-Mi, said.

He said "the Libyans suffered a severe defeat" in the fighting, which took place between Bardai and Aouzou, in the Tibesti mountain region, a stronghold of Goukouni loyalists.

The fighting is the closest yet reported to the Aouzou strip since fighting broke out last month between pro-government and Libyan troops in northern Chad. The strip is a band of territory along Chad's border claimed by Libya and occupied by its forces since 1973.

French officials said Tuesday that France was stepping up shipments of weapons, heavy equipment, radios, fuel and medicine to Chadian troops involved in fighting Libyan forces and their rebel allies in the north. [passage omitted]

The French officials said the latest shipments of weapons and supplies to Chad included materiel sent to Oum Chalouba, near the 16th parallel, destined for government troops holding Fada, 200 kilometers (120 miles) to the north.

The officials said that no French units were currently north of the 16th parallel, although they admitted that "some" French troops may have crossed the line in recent days. [passage omitted]

OAU's Oumarou Meets With Habre, Departs

AB061730 Ndjamena Domestic Service in French 1330 GMT 6 Jan 87

[Excerpt] The OAU secretary general left Ndjamena early this afternoon after a 24-hour visit to our country. Shortly before his departure, Ide Oumarou was received by the president, with whom he held a round of talks. On leaving the president's office, Oumarou answered questions put to him by the national press. He first spoke on the subject of his talks with the president.

[Begin recording] [Oumarou] The purpose of my visit to the president was, naturally, to brief him on my mission, which is the search for peace and stability in this region. I must say that, after the audience, I am comforted because the statements President Hissein Habre made to me are those of appeasement. He has demonstrated his openness and the openness of his government and his people and their desire to work within the framework of African solidarity for the most peaceful possible ways of settling the problem, which is not only Chad's concern but the concern of the whole of Africa.

Habre told me that Chad is anxious to see peace prevail internally and to establish ties of cooperation with all its neighbors, especially with Libya, with which it has close, privileged relations.

He said he hopes peace will be restored between both countries to develop the complementarity between them in the interest of their two peoples. I think no one can be more conciliating.

However, President Habre also told me of his concern over the current situation. In view of the latest developments in the field, he undoubtedly fears an irreversible escalation [words indistinct] will see to it that our continent will assume its responsibilities.

[Reporter] On the other side, I mean on the Libyan side, do you think that the Libyan Government shows the same goodwill as the Chadian Government?

[Oumarou] I told you yesterday on my arrival that when I told the Libyan authorities the purpose of my visit, [words indistinct]. I believe that the most important thing in the whole affair is [words indistinct] so through peaceful means we try to (?put and end to) the fighting in Chad. I must say from my talks in Tripoli that the Libyan authorities are also concerned with the situation between Chad and Libya. [Passage indistinct] [passage omitted] [end recording]

GUNT Faction Condemns Western Media Reporting

AB062129 Paris AFP in French 1626 GMT 6 Jan 87

[Text] Brazzaville, 6 Jan (AFP) — Making clarifications to AFP in Brazzaville today, the Chadian People's Revolutionary Movement (MRPT, a component of the new GUNT) denounced the "mystification campaign about the military situation prevailing in northern Chad."

The MRPT stated that the aim of this campaign was twofold: First, to have public opinion admit that "the GUNT and the ANL (National Liberation Army of the GUNT) no longer exist and that the Chadian crisis is reduced to a border conflict between Chad and Libya." MRPT Secretary General Bire Titinan added that through their "intoxication" campaign, "the imperialist media and their African subsidiaries are trying to justify the Franco-American military intervention on the side of the puppet troops of Goukouni and Habre."

The spokesman of the MRPT noted that the Western press had admitted that the CDR (Revolutionary Democratic Council), the movement of Acheikh ibn Oumar, president of the GUNT since 16 November 1986, was the most important component of the GUNT then under Goukouni Oueddei, with a total of two-thirds of the ANL forces.

"Today the same press speaks of clashes between Libyans and the People's Armed Forces (FAP, loyal to Goukouni) but it does not say what has become of the CDR fighters and those of the other factions" (of the new GUNT).

GABON

Bongo Accepts 5 Jan Government Resignation

AB061632 Libreville Africa No 1 in French 1230 GMT 6 Jan 87

[Excerpt] Gabon is without a government since yesterday evening, or rather this morning. In fact, Prime Minister Leon Mebiame presented his team's resignation yesterday evening to President Omar Bongo, who in turn accepted it. The outgoing government, which in addition to the prime minister comprised 57 ministers and secretaries of state, was appointed on 28 March 1984.

With the government's resignation yesterday, it is expected that the Gabonese president, who was reelected last November with 99.97 percent of the votes, will appoint a new prime minister to form a new government. [passage omitted]

ZAIRE

KUNA: Refugees in Sudan To Help Overthrow Mobutu

LD051658 Kuwait KUNA in English 1405 GMT 5 Jan 87

[Text] Khartoum, Jan 5 (KUNA) — Zairean refugees will be regrouped and taken out of Sudan for participation in an armed struggle for overthrowing President Mobutu Sese Seko, declared a senior opposition leader presently on a visit to Sudan for the purpose.

About 5000 Zairean refugees have taken refuge in different parts of Sudan out of a much larger number of Zaireans who came into Sudan following the assassination of Patrice Lumumba in the early sixties.

Dr. Colonel Mulumba Kassongo Kalimbakana, president of the Angola-based Congolese National Liberation Front (FNLC) told reporters here Monday that his movement, which was founded in 1976, "is fighting for the liberation of the Congo from the dictatorship of Mobutu and from the imperialists". He said that they have some of the fighters of their armed wing, the Congolese National Liberation Army, ANLC, inside Zaire which he prefers to refer to as "the Congo", but that the bulk of their military operations are being carried out across the border from Angola.

Dr. Kalimbakana said their armed struggle started in 1977 and in May 1978 they even briefly captured the Zairean border town of Kolwezi. He said that his movement with its over 20,000 armed men, mainly stationed in Angola, is recognized by several African countries, "except Sudan," and that in addition to Angola they have offices in Tanzania, Zambia and Congo Brazzaville.

The FNLC president said the Sudanese Government would not allow them to open an office in Khartoum because it is bound by an agreement of non-interference with Mobutu Sese Seko. He said that he is here to get his country-fellows out of Sudan to Angola or Tanzania where they can take part in the struggle against the Mobutu regime.

Dr. Kalimbakana said that his movement seeks assistance from all friendly countries irrespective of their ideologies and that they are not aligned with the capitalist or communist blocs. He is prepared to accept unconditional assistance from either superpower, he added.

"FNLC is a social democratic revolutionary movement, it is neither communist nor imperialist," Dr. Kalimbakana stressed adding that originally they are "Lumubgists," followers of the Congolese national movement of late Patrick Lumbumba, "fighting for development, for freedom of religion, speech and movement and ultimately for democracy." He said that Angola offers his movement, moral, political, financial and "any other assistance but not arms supplies" which he claims they buy in cash on the international market.

GHANA

Rawlings Cited on Economic Recovery Efforts

AB062140 Accra Domestic Service in English
1300 GMT 6 Jan 87

[Text] The chairman of the PNDC, Flight Lieutenant Rawlings, has declared that the government has never sacrificed the interests of the working people to any foreign loan institutions, particularly the IMF. In an interview in the latest edition of the magazine *Africa Report*, Chairman Rawlings admitted that the government's call for restraint, as far as immediate and often unreasonable demands of workers are concerned, has been misinterpreted, especially in trade union circles. He explained that often the spokesmen of the trade union movements do not always express the real interests of the workers. Some of these spokesmen do not see beyond the short term. They do not analyze the implications of purely wage claims within an economy in which production is declining.

Chairman Rawlings explained that the government has called for restraint as far as unreasonable demands are concerned so that we can have a suitable economic growth in which workers will benefit the most. The leader of the revolution said by restraining inflation alone the government has protected workers' wages. And for the overwhelming majority of the working people, notably the peasants, it has ensured a fair price for their produce. The chairman said the efforts at economic recovery can be painful given the background of laxity. But this headache will be overcome by the lasting painkiller of success in building a strong, efficient, and a more self-reliant economy in which the fullest possible rein will be given to the creativity and initiative of the working people.

Chairman Rawlings said he is happy to note that Ghanaians now understand that it is only through these sustained efforts, not from government handout, that further improvement can come. In other words, the resources at government's disposal are what the nation produces.

On relations with the TUC [Trades Union Congress], Flight Lt Rawlings admitted that there had been difficulties, but he said these have arisen because of the communication gap. The government has, however, initiated a process of frank discussion on the economic recovery program, and there is now a growing understanding of what the government is trying to do.

Radio Urges Stronger Defense of Revolution

AB061956 Accra Domestic Service in English
1300 GMT 6 Jan 87

[Kwesi Appiah-Ameyaw commentary]

[Text] The 5-year rule of the PNDC has seen several attempts to destabilize the revolution. On its part, the PNDC government has shown positively that it is prepared to deal with any nation-wrecker who does not think of the nation first but about his personal gains. Most of these attempts of destabilization are engineered from outside with the active connivance of their agents here in Ghana. This is why Ghanaians welcomed Chairman Rawlings' warning to those who seek to reverse the 31 December process that they are wasting their time and that this process is irreversible because of the indomitable will of the Ghanaian people.

However timely this warning may be, it must be pointed out that the activities of foreign governments to destabilize our young revolution would not end today or tomorrow. In effect, the watchword for every Ghanaian should be vigilance which is needed to back the efforts of the security agencies to flush out the imperialist agents in our midsts. It is clear that most coups which occur on the African Continent take place with the connivance of secret services which in many cases operate as a direct way for Western government agents, and we know that one such organization, the CIA, was behind the overthrow of President Kwame Nkrumah. The same agency is behind most of the destabilizing efforts of dissidents mostly resident outside the country.

In the 6th year of the revolution, Chairman Rawlings has offered the olive branch of peace and cooperation to all those who claim to be concerned about the country's destiny and offered them again an opportunity to end the fruitless but harmful activities and join in the national recovery effort. This is not the first time that such an opportunity has been offered to handle people who really wish to help in the country's reconstruction effort and it is hoped peace-loving Ghanaians would grab it. At this stage it is necessary to warn those who think they could come back to Ghana to start their diabolical and nefarious activities to better stay where they are for the security agencies are very alert and will not let them escape the arms of the law.

In the words of Chairman Rawlings after 5 years, the government takes the initiative for genuine national reconstruction in the sincere hope that it will no longer be necessary for anyone to put his life at risk in any reckless adventure against the economy of this country.

Just yesterday, Ghanaians were informed about the real motives of the American mercenaries who escaped from a Brazilian jail where they were serving sentences for their part in the *Nobistor* affair. The CIA connection cannot be obliterated no matter how best the American Government tries to deny the allegations by the mercenaries. It is hoped that those Ghanaians who were supposed to link up with the group will see the futility in their adventure and accept the peace offer by the PNDC chairman, for it is quite obvious that they are just being used to further the aim and aspirations of a foreign power.

Ghanaians should know not to sacrifice their birthright for a mess of pottage in the form of a few dollars just to satisfy the whims of a foreign agency. We must be aware that our birthright once sold is irretrievable. Thus to maintain our revolution, we must not give in to any foreign power to dictate to us as to what to do or say on any foreign issue or how we should develop our country. We should not allow ourselves to be used as pawns in the super power rivalry. To be able to do this, we must align ourselves with the poor and exploited in Africa without fear or favor.

This is also the time for all progressives, whereever they may be, to unite and fight for the success of the ongoing revolution. They should forget about the past and put in their quota for the development of the nation or forever keep their mouths shut.

LIBERIA

Doe Denies Rumor of Imminent Cabinet Reshuffle

AB061256 Monrovia Domestic Service in English
2100 GMT 5 Jan 87

[Text] President Samuel Kanyon Doe has assured members of his cabinet that he has no immediate plans to reshuffle his government but said he will ask any cabinet minister who is not serving in the interest of the government and people to resign. According to Presidential Press Secretary Dr Kugmeh, Dr Doe was speaking today at the first cabinet meeting for 1987 held at the Executive Mansion.

Reassuring members of the cabinet of the confidence he reposed in them, Dr Doe said he had invited them to the meeting because of the persistent rumor of an imminent cabinet reshuffle and described this as sabotage. He praised the cabinet members for their continued loyalty and support to him and their dedicated services to the government and people of Liberia during (?fiscal) 1986. Dr Doe told members of the cabinet that in the new year it was essential that they redouble their efforts so that the people of this nation and the world will build up the kind of confidence that is necessary for the survival of the government. He, however, called on them to be vigorous in their individual pursuits and continue to be sincere, loyal, and dedicated to duty.

Dr Doe described 1987 as a year of economic recovery and hoped the nation will enjoy a period of peace, stability, and reconciliation throughout the year, adding this can be achieved only if we all work as a unit. Dr Doe wished for his cabinet and their families a joyous and blessed New Year.

Responding on behalf of himself and his colleagues, Foreign Minister Dr Bernard Blamo thanked President Doe for the public expression of his confidence in the cabinet as it was a welcome relief for him and his fellow ministers. Dr Blamo assured President Doe that the cabinet, in obedience to his wish, will redouble its efforts and commitment to the nation as demonstrated in 1986. He said unless the cabinet worked together as one, the objectives of this government would not be achieved.

NIGER

Report Says Kountche Able To Resume Duties

AB061625 Niamey Domestic Service in French
1200 GMT 6 Jan 87

[Text] Here is Communique No 4 on President Kountche's state of health:

The undersigned doctors have examined President Seyni Kountche and declare: First, President Kountche suffered an attack of a rapidly resolvent infectious disease of cerebral manifestation. Second, he can now resume his activities. Third, a clinical and paraclinical program has been worked out and will be accompanied by supplementary treatment of short duration.

As all information is now complete on the president's state of health, the doctors do not intend to publish any further communiques.

Issued in Paris on 6 January 1987.

Signed: Prof Marc Jean Tilliny, Prof Jean Mercedaire, Dr Ibrahim Alfa Cisse, Dr Yvonne Gauthier, and Dr Ousman Gazeri.

NIGERIA

PRC Expresses Desire for Military Cooperation

AB061854 Lagos Domestic Service in English
1500 GMT 6 Jan 87

[Text] Nigeria and China have expressed desire to cooperate in military fields. This was stated by the service chiefs of the three formations of the Nigerian Armed Forces while exchanging views with the deputy chief of General Staff of the Chinese People's Liberation Army, General Xu Huizi, in Lagos today. They told the Chinese Army chief that the report of the Nigerian military delegation to the recent Chinese military fair was being studied to identify areas most appropriate for Nigeria's needs.

During a visit to the chief of Naval Staff, Rear Admiral Patrick Koshoni, Gen Xu Huizi was told that efforts were being made for the Nigerian Navy to be self-reliant.

Also receiving the Chinese Army chief, the chief of Air Staff, Air Vice Marshal Ibrahim Alfa, said the Nigerian Air Force was ready to learn from the Chinese experience in the area of air defense.

Gen Xu Huizi noted that the common desire of the two countries was to learn from each other's experience in matters of military pursuits. The Chinese Army chief earlier laid a wreath at the Tafawa Belewa Square Cenotaph and visited the National Museum, Onikan.

RSA Agricultural Investment Seen as 'Threat'

AB061119 Lagos International Service in English
0830 GMT 6 Jan 87

[From the press review]

[Text] The *Nigerian Chronicle* is disturbed by reports that the racist South African Government is investing in agricultural projects in Equatorial Guinea. The paper says this is more so in the wake of alleged plot by the apartheid regime to attack Nigeria. The *Chronicle* sees the racist presence in the neighboring country as a threat to Nigeria's security and wants the federal government to take decisive steps see that the racists leave Equatorial Guinea.

ANGOLA

Security Forces Kill 15 'Bandits' in 7th Region

MB061449 Luanda Domestic Service in Portuguese 1200 GMT 6 Jan 87

[Text] According to information received by the Cuanza Sul regional station from an authorized official source, the defense and security forces stationed in the 7th military region recently killed 15 UNITA bandits and captured another 3. In operations carried out on 31 December and 1 January in (?Teles) municipality, Cuanza Sul Province, the Angolan people's armed wing freed a total of 180 civilians who were forced to live in the bush for several years under (?traumatic) conditions. During the cleanup operations, the source added, FAPLA fighters recovered 35 head of cattle which the UNITA bandits had stolen from the people. Our forces also captured a quantity of war materiel of South Africa origin. The 7th military region comprises [words indistinct] the Provinces of Benguela and Cuanza Sul.

MOZAMBIQUE

Chissano Speaks at Opening of CC Session

MB062021 Maputo Domestic Service in Portuguese 1800 GMT 6 Jan 87

[Speech by Joaquim Chissano, chairman of Frelimo Party and president of the People's Republic of Mozambique, at the opening of the sixth Frelimo Party Central Committee session in Maputo on 6 January — recorded]

[Text] Comrade members of the Central Committee, comrade first secretaries of the provincial committees, comrade secretary generals of mass democratic organizations: This is the first ordinary session of our party Central Committee that is not chaired by its founder and unforgettable guide, our beloved leader, the late President Samora Moises Machel. The pain caused by his physical absence is only lessened by our feeling that his thoughts remain with us as a beacon, always showing us the just objectives and correct path, because it was with Comrade President Samora Machel's leadership, his deep thought, and his vision of the future that we have been able to gain the needed strength to return the party, society, and the state to normality after the deep shock which shook the whole Mozambican nation. That is why, while hailing the decisive action of Central Committee members during this tragic period in our history, we underline the powerful and indelible contribution made by Comrade Samora Machel in the political, ideological, and moral formation of each of us. Deprived of his leading role, we more than ever before feel the need to strengthen our party's organization, as well as the organization of its organs at all levels, to equip them with experienced and unwavering workers and ensure their regular functioning.

The party's leading role in society and the state is more fundamental than ever before. We live at a time when the enemies of the people and the fatherland are trying to destroy our state and independence. It is the duty of our party, and particularly of the Central Committee, to lead the state and the defense and security forces and unite and organize the entire Mozambican people to intransigently defend our country, our independence, and our sovereignty. We are going to do this in an extremely difficult economic situation, which is mainly the result of armed bandit criminal actions. This situation requires the adoption of measures that will demand sacrifices from all of us. It is the duty of our party, particularly of the Central Committee, to ensure that these sacrifices are justified by the rehabilitation of our economy to create conditions for continued and harmonious economic, social, and cultural development to end famine, nakedness, misery, and illiteracy. That is how we can safely move to achieve prosperity and progress in a socialist fatherland. Austerity, rigor, and discipline at work and in general life are essential conditions for victory in the economic battle we are now waging.

Comrades, we have just completed the process of second general elections. They were a great success and a very important victory to our people. Despite the war the apartheid regime wages against us through the bandits, the elections were held throughout the country with massive popular participation, characterized by heightened vigilance and revolutionary enthusiasm. This was a powerful and vibrant display of national unity and the people's deep identification with the principles, methods, and structures of democratic people's power in our country. We warmly and proudly hail our entire people for their massive participation and the effort made by everyone from Rovuma River to Maputo River to make the general elections a success. It is the people's will and strength that will always ensure the triumph of independence, sovereignty, peace, progress, and socialism in our fatherland.

We wish in particular to underline the role played by our defense and security forces to make the elections a success. Our party must continue to provide the needed political guidance for the correct and complete functioning of the people's assemblies at all levels as fundamental structures of the people's power and of the exercise of democracy. Deputies at all levels must continually work to revitalize the political, economic, social, and cultural life of our country. It is particularly essential that the assemblies and their deputies dedicate themselves totally to the two great tasks of the present time: the defense of the fatherland and the rehabilitation of our economy.

Comrade members of the Central Committee, the sixth session of the Central Committee must examine and make decisions on issues of extreme importance to the development of our people's struggle on its principal fronts. The Central Committee will examine the level of implementation of important measures and decisions made at the fifth session. The implementation of these measures was initiated by Comrade President Samora Moises Machel, but was interrupted by the tragedy that shook us all. The tasks were put off. The Central Committee must assess what has been done so far in the implementation of these decisions and further their full implementation. The Central Committee will receive a report from the commission of inquiry into the causes of the tragedy in which President Samora Moises Machel lost his life. We are going to examine the proposals of measures for economic rehabilitation, as well as for the general state budget and the state central plan for 1987. We are certain that comrade members of the Central Committee will richly contribute to the discussion of such serious and delicate, as well as important and fundamental, issues for the future of our people and our country's development.

The Central Committee's sixth session will examine the second general election process. It will also analyze the work carried out by the commission charged with revising the constitution. In order to place our struggle in its proper context, we shall review the political situation in southern Africa. Finally, we shall deal with the issue of restructuring the secretariat of the Frelimo Party Central Committee which is of vital importance in the functioning of our party. Comrades, we have days of intense work ahead of us. As usual, we shall be able to devote our attention to the aspirations of our people and use our ability and experience in the search for suitable measures and just and correct solutions. Forged in the struggle, with experience gained in many decisive battles, deeply supported by the people, and carrying with us the rich example and teachings of President Samora Machel, we shall be able to respond to our responsibilities. The struggle continues. [crowd shouts: "Continues, continues, continues"] [applause]

BBC: Six ANC Representatives Asked To Leave

MB061738 London BBC World Service in English 1709 GMT 6 Jan 87

[From the "Focus on Africa" program]

[Text] It must be a very uncertain life to be an ANC member living in southern Africa. They keep getting kicked out of such countries as Swaziland, Lesotho, and Botswana. Now the Mozambique Government has asked a number to leave the country, apparently with ANC agreement, but very likely under pressure from South Africa as well. Jullian Slater asked Dan Moiane in Maputo what exactly had been going on.

[Begin recording] [Moiane] You must note that there is nothing official yet. Neither the ANC nor the Mozambican Government have issued any public statement about this, but reliable sources have told me that the Mozambican authorities and the leadership of the ANC have agreed to withdraw six members of this movement from Mozambique following alleged death threats on the individuals from South Africa.

[Slater] But will this leave the ANC office completely unstaffed?

[Moiane] No, it will not. There was some kind of an understanding between Pretoria and Maputo at the time of the signing of the Nkomati Accord that the ANC office should have 10 staff members. So, with five [number as heard] members going away, you will have another five remaining.

[Slater] And will the five relieved be replaced, you know?

[Moiane] I am not really certain but it looks like the question of replacement is possible.

[Slater] Do you know the names of any of the people who have been asked to go?

[Moiane] I know that the five members of the ANC office who are being withdrawn include the chief representative, Jacob Zuma, who is a former Robben Island prisoner and a member of the national executive committee of the ANC, and in the group is also another former Robben Island prisoner, Indress Naidoo, who recently was a coauthor of a book about his own experiences while he was in prison on the island. And I know also that there is one woman in the group, Sue Rabkin, who was dealing mainly in the welfare affairs of the office.

[Slater] How long have these people been in Maputo?

[Moiane] It is difficult to tell, but I think for instance Mr Zuma has been around from the late seventies here and I think the same goes with Mr Naidoo.

[Slater] Have you got any information about how this agreement was reached? Was it an ammicable agreement between the ANC and the Chissano governemnt?

[Moiane] Yes, the ANC president, Oliver Tambo, was in Maputo last week and well-informed sources have told me that he discussed that issue with President Joaquim Chissano. The sources say that the death threats on these six individuals came in the form of a warning from South African authorities that action would be taken against them if they were not removed.

[Slater] Do you know why they were threatened, why these people in particular?

[Moiane] It is not clear why specifically these people have been threatned, and as I said earlier, I have not been able to find out any further details about this incident and (?I suppose) the ANC and the Mozambican Government have sort of shied away from issuing public statements about this issue. [end recording]

'Bandits' Destroy Nampula Power Station

MB070838 Maputo Domestic Service in Portuguese 0400 GMT 7 Jan 87

[Text] A group of armed bandits attacked district headquarters of Monapo village, Nampula Province on the morning of 2 January, killing eight people and abducting several others. The bandits simultaneously attacked the Monapo administrative village and its industrial area. The group that attacked the industrial area used explosives at the electric power station, destroyed a wagon with 30 tons of cashew nuts, and burned cotton bales from the Monapo cleaning and press seeds factory. In their murderous fury the armed bandits destroyed the Monapo rural hospital and the electric power station of that village. The Monapo village electric power station was used as a power station to transform and distribute electrical energy from Nacala to Nampula city, Isle of Mozambique, and Mossuril district.

GDR Justice Minister Arrives on Visit

MB071143 Maputo Domestic Service in Portuguese 1030 GMT 7 Jan 87

[Text] A GDR delegation led by Hans-Joachim Heusinger, deputy chairman of the Council of Ministers and minister of justice, arrived in Maputo this morning. This visit is within the framework of a cooperation agreement signed in 1981 between the GDR and Mozambican Ministies of Justice. The GDR delegation was received on arrival at Mavalane International Airport by Minister of JusticeOssumane Ali Dauto and high-ranking officials of his ministry. GDR Ambassador in Maputo Helmut Matthes and Julio Braga, ambassador to the GDR, were also present.

SOUTH AFRICA

Pik Botha Asked Mozambique To Expel 6 ANC

MB071139 Johannesburg Domestic Service in English 1100 GMT 7 Jan 87

[Text] The minister of foreign affairs, Mr Pik Botha, has confirmed that South Africa recently approached the Mozambican Government on the presence of six ANC members in Maputo. Mr Botha said in a statement in Pretoria that the Mozambican Government had been informed that the South African Government had information indicating that the six ANC members were in control of Regional Political Military Committee, RPMC, of the ANC-South African Communist Party network in South Africa. He said the committee was directly responsible for supplying weapons and explosives to the Political Military Regional Committee of the ANC-South African Communist Party in Swaziland, which in turn distributed weapons and explosives to secret points in southern Africa. Mr Botha said it was evident that the continued presence of the ANC in Mozambique posed a threat to South African citizens. He emphasized the gravity of the situation to Mozambique and asked that these members be removed from Mozambique immediately. Although it was not a threat, the South African Government could have no choice but to take steps to avert the threat if the Mozambican Government did no see its way clear to remove the threat.

SADF Reacts to Chissano Allegation of Attack

MB061636 Johannesburg Domestic Service in English 1600 GMT 6 Jan 87

[Text] The SADF has reacted to allegations by President Joaquim Chissano of Mozambique that South Africa is planning an attack on his country by saying that South Africa wants to live in peace with its neighboring states, but not at the cost of the safety of its inhabitants. A defense force spokesman told our Pretoria news staff that Mr Chissano's statement was no more than an attempt to convince the international community that Mozambique's internal problems were not of their own making. He pointed out that the security of the people of South Africa was being threatened by terrorists who were being accommodated and supportedly its neighboring states.

Commentary Criticizes Mugabe Sanctions Stance

MB061149 Johannesburg International Service in English 0630 GMT 6 Jan 87

[Station commentary: "Robert Mugabe's Vow To Impose Sanctions"]

[Text] With his vow to impose sanctions against South Africa in the near future, Prime Minister Robert Mugabe of Zimbabwe asked his countrymen last week to brace themselves for hard times ahead. While Mr Mugabe's self-inflicted hard times through sanctions against South Africa will undoubtedly have an adverse effect on his country, Zimbabwe is already experiecing hard times, with every indication that things will be getting worse, with or without sanctions.

Reports from Harare last week said the country's growing number of unemployed was likely to reach 1 million within the next 3 years [word indistinct] presenting a grave threat to the country's [word indistinct]. A merchant bank review forecasts increasing pressure from [word indistinct] to lay off workers if the foreign exchange position is not improved. The review points out that creating (?sufficient) jobs is likely to remain difficult [words indistinct] lack of new venture capital [words indistinct]. Poor performance or even losses made by the business sector has further reduced the chances of new business ventures being started, and of new jobs being created. With Zimbabwe's fast growing population, job creation will continue to be a major priority for many years to come.

In 1985, local and international conservationists met in Harare to discuss a strategy to avert what many believe will be an ecological disaster, caused chiefly by overpopulation. After Kenya, Zimbabwe is Africa's second fastest growing country. At the current annual population growth rate of 3.5 percent, by the year Zimbabwe will have 24 million mouths to feed. However, with the fullest agriculture and industrial development, the country will be able to house only 21 million.

The grim fact is that socialist policies favored by Mr Mugabe's government do not lend themselves to the fullest agricultural and industrial development. The future situation, therefore, is likely to be far worse than the one prognosticated. In these circumstances, one would have thought that Mr Mugabe would be careful to maintain and develop relations with this country's main trading partner, whose transport infrastructure handles 90 percent of his imports and exports. It seems that Mr Mugabe is more concerned with South Africa's internal affairs than with his own.

Machel Inquiry Might Extend Into February

MB070702 Johannesburg SAPA in English 0653 GMT 7 Jan 87

[Text] Johannesburg Jan 7 SAPA — The commission of inquiry into the air crash in which President Samora Machel of Mozambique was killed will begin in the Rand Supreme Court on January 20. This was announced yesterday by the chairman of the five-member commmission, Mr Justice C. Margo, who said in a statement that the full commission of inquiry would be present to hear evidence on the accident.

A reliable source said today this would be an inquiry to determine what caused the accident and not to make out a case against any of the parties involved. Legal teams had been appointed for the commission and the South African state departments, and the inquiry would be held in open court along normal court procedures.

Mozambique, as the state of registry, and the USSR, as the state of manufacture of the aircraft, had been invited to be represented at the inquiry to call or cross-examine any witnesses or to present any further relevant information, he said. Investigative teams from the two countries had participated fully in drawing up the factual preliminary report, which was to form the basis of the inquiry. They had indicated they would take part in the proceedings although it was not yet known to what extent, the source said.

He said he believed the inquiry might extend into the first weeks of February although all attempts would be made to complete the bulk of the work before the end of the month as a commission member, Colonel Frank Borman, had to be in the United States on January 31.

The commission consists of Mr Justice Margo, a retired British appeal court judge; Colonel Frank Borman, an American astronaut; Sir Richard Eveleigh, a retired chief inspector of air crashes of the Department of Transport in Britain; Mr Geoffrey Wilkinson, a former commissioner of civil aviation in South Africa; Mr Jock Germishuys and the chairman of the Airlines Association of South Africa and managing director of Comair, Mr Pieter van Hoven. The commission of inquiry will be represented by a Pretoria firm of attorney, Rooth and Wessels, and advocate Mr Cedric Puckrin, SC [senior counsel].

The state attorney is to brief advocates Mr John Coetzee SC and Mr Piet Ebersohn to represent the Department of Transport and the Department of Foreign Affairs and any other state departments involved.

Court Adjourns UDF, RMC Challenge to Restrictions

MB061236 Johannesburg SAPA in English 1230 GMT 6 Jan 86

[Text] Durban, Jan 6, SAPA — An urgent application challenging the government's latest emergency regulations was today adjourned until January 29 in the supreme court in Pietermaritzburg.

The application is being brought by the United Democratic Front and the Release Mandela Campaign [RMC] against tthe state president, the government, the minister of home affairs, the minister of law and order, and the commissioner of police.

The executive chairman of the UDF, Mr Curnick Ndhlovu and Mr Aubrey Mokoena of the RMC asked in papers before Mr Justice Andrew Wilson that all the regulations promulgated on December 11 be declared null and void.

Alternatively, they asked that key sections of the new regulations be declared unlawful.

The application was provisionally set down for January 29 and 30 for hearing by a full bench and to allow the respondents time to file responding affidavits.

In his founding affidavit, Mr Ndhlovu said the UDF sought an order declaring the Dec 11 regulations to be of no force and effect.

Alternatively, the UDF challenged the validity of Regulations 3(1), 4(1), 5, 7, the definition of "security action" in 1(1), the definition of "subversive statement" in 1(1), and regulation 1(2).

He said the applicants considered it "fundamental that they should have the right to be vigorously critical of (the government's) policies and to organise and conscientise public opinion against such policies without the inhibitions sought to be prescribed by the regulations.

"It is the belief of the applicants that the present state of unrest and tension will continue in the country and that the state of emergency will not be terminated unless and until (the government) radically changes and amends its present policies and permits those who disagree with such policies to make manifest their views in terms of structures which are legitimate and credible."

The regulations contained provisions which were "void for vagueness in that no ascertainable meaning can be given to them", Mr Ndhlovu submitted.

An attorney for the applicants, Mr Amichand Soman, said in a supporting affidavit that the regulations constituted "serious invasions into the applicants' right of free expression and comment" and that they impeded their activities and publications.

Mr Mokoena said in an affidavit on behalf of the RMC that his organisation and its supporters believed there could be no lasting peace or reconciliation in South Africa until and unless the socio-political causes which gave rise to conflict were addressed.

"The effect of the regulations has been substantially to paralyse many of the activities of (the RMC), which has prepared literature and statements which cannot be distributed if the regulations are indeed valid," he said.

NEW NATION Restricted

MB070629 Johannesburg SAPA in English 0626 GMT 7 Jan 87

[Text] Johannesburg Jan 7 SAPA — The government has barred *The New Nation*, a weekly newspaper based in Johannesburg, from publishing any statement issued by the United Democratic Front and 12 other organisations promoting four campaigns, a senior journalist there said today. The prohibition, signed by the commissioner of police, General Johan Coetzee, and delivered to the paper's offices yesterday morning, follows similar restrictions placed on *The Weekly Mail* and the *Sowetan* in December last year. The order was to have been delivered several weeks ago but *The New Nation* offices were closed over the festive season. Mr Zwelakhe Sisulu, editor of the paper which is funded by the Southern African Catholic Bishops Conference, has been in detention since December 12.

The order bans the publication of statements dealing with the Campaign for National United Action, the Christmas Against the Emergency campaign, Campaign for National Unity and Christmas Concern. It was issued in terms of the Public Safety Act of 1953 with reference to the emergency regulations promulgated more than six months ago.

HNP To Nominate Own Election Candidates

MB061158 Johannesburg Domestic Service in English 1100 GMT 6 Jan 87

[Text] The HNP has announced in Pretoria that it has instructed all divisional offices throughout the country to immediately begin nominating candidates for the coming general election. This comes after the CP and the HNP reached a deadlock on the question of cooperation at the end of last year. The party general secretary, Mr Louis Stofberg, says the party's planning committee decided on this action last night, after the nomination by the CP of candidates in many constituencies and the public announcement of many of these nominations.

Ex-Security Policemen Charged With Terrorism

MB061406 Johannesburg SAPA in English 1404 GMT 6 Jan 87

[Text] Pretoria, Jan 6, SAPA — Two former security policemen today appeared in the Pretoria magistrates court on charges of terrorism and charges under the Protection of Information Act.

Mr Matshwenyego Makgadudi, 29, and Mr Tshijhango Rabuli, 33, allegedly used their positions of members of the security police to make copies of secret documents.

They are also alleged to have received payment from the African National Congress for the information divulged.

In addition, the accused men failed to report "sensitive" information concerning the ANC to their superiors, the state alleges.

The two men are facing several charges of terrorism and of being "active supporters" of the ANC.

They were remanded until January 14 without being asked to plead.

The senior counsel will be named then and a trial date set.

Squatter Camp Demolished; 1000 Left Homeless

MB070501 Johannesburg SAPA in English 2222 GMT 6 Jan 87

[Text] Johannesburg Jan 6 SAPA — Bulldozers razed the Mshenguville squatter camp in the Soweto suburb of Mofolo early this morning, leaving at least 1000 people homeless, *Business Day* newspaper reported in its early editions. Residents said no warning or reason was given for the action, but the camp has been condemned as a health hazard by the Soweto City Council. Camp residents were last year embroiled in a rent-and-utilities row with the council. In less than two hours, bulldozers and trucks levelled Mshenguville to a mass of corrugated iron sheets and rubble. By midday, some residents had started to rebuild their shacks despite fears that the bulldozers might return tomorrow.

Accounts Vary of Demolition

MB071055 Johannesburg SAPA in English 1052 GMT 7 Jan 87

[Text] Johannesburg Jan 7 SAPA — Bulldozers tore down a number of shacks at the Mshenguville squatter camp in Mofolo, Soweto yesterday morning but reports on the extent of the demolition vary widely.

The acting town clerk of Soweto, Mr R.E. du Toit, told SAPA this morning that about 140 shacks were demolished in the camp which houses about 2000 families in a "relatively calm and peaceful operation." He did not know how many people were affected but said reports in Johannesburg morning newspapers had exaggerated the number of homeless.

A report in the *Business Day* said at least 1000 people had been left without shelter after bulldozers and trucks levelled the camp in a two-hour operation. "They just came with their big trucks and pushed everything down. Many houses were locked with furniture inside as a lot of people were at work," the paper quoted a resident as saying.

Mr Du Toit said the city council had decided in about September last year to freeze the number of shacks on the site at 2000 and plans to demolish immediately any shacks that exceed that number. "At the time of the decision, existing shacks were numbered and those demolished yesterday comprised of shacks built subsequently," Mr Du Toit said. The council views all the homes in the camp as illegal but has provided basic toilet and water facilities until other accommodation can be found. "Eventually the whole camp will be demolished," he said.

Reports on the nature of the demolition also vary.

A newspaper report quoted a Bureau for Information telex as saying teargas was fired to disperse squatters who attacked workers with petrol bombs and that the demolition was stopped only after security forces arrived and said alternative accommodation should be found for the squatters.

Mr Du Toit said there was coordination between the council and security forces during the operation and council's security department had not reported any incidents of violence.

Asked to comment on the conflicting reports, a Bureau for Information spokesman in Pretoria said the government's administration board had actually begun demolishing the shacks in the morning. "At the time, a meeting of the security forces and council officials was in progress. On receiving notification of the demolitions, the security forces went to the site and said demolitions should stop until alternative accommodation was found." The spokesman stood by his report that petrol bombs were thrown at municipal police during the operation. The SA Police used teargas to disperse the squatters and after the demolitions stopped a wrecked car was set alight and more petrol bombs thrown at police.

Navy, Air Force Troops To Serve in Unrest Areas

MB061539 Johannesburg SAPA in English 1530 GMT 6 Jan 87

[Text] Cape Town, Jan 6, SAPA — Several hundred citizen force Navy and Air force troops who have completed their national service are to be retrained by the army to serve in "unrest areas" and the operational area of SWA/Namibia.

This means that many citizen force members who did their national service in the navy or air force will become army troops.

A defence force spokesman confirmed today that several hundred navy and air force troops called up for camps recently were already being re-mustered.

He said: "Certain citizen force members of the navy and air force will in future be called up for service in the army.

"Citizen force members of the SAAF [South African Air Force], SAN [South African Navy], port services and certain staff divisions who to date have served shorter periods than army members are now to be made available to the army for service in operational and unrest areas.

"This decision was taken so that the protection task of the SADF could be spread more equitably among all the members of the part-time forces and to prevent some members being called up for shorter periods of time merely because of their mustering.

"In this way the Defence Force can use its manpower optimally."

Formerly the navy and air force have called up only enough citizen force members to suit their requirements and many members "escaped" call-up simply because they were not required.

This has been labelled "unfair practice" by the army whose members serve longer camp periods.

'Fierce Fighting' Reported in KwaNobuhle

MB061126 Umtata Capital Radio in English 1100 GMT 6 Jan 87

[Text] There have been reports of fierce fighting in the Uitenhage township of KwaNobuhle. At least two people are reported to have been killed, although township residents fear the death toll is much higher. Journalists in the area say clashes broke out on Sunday night between conservative vigilantes and so-called comrades. The vigilantes are said to have rampaged through KwaNobuhle in search of the radicals. Furniture was pulled onto the streets and burned. The police liaison officer for the eastern Cape has confirmed that fighting did take place between what he termed factions, and that murder dockets have been opened into the two deaths. The Bureau for Information has not responded to requests for confirmation of the incidents.

Police Vigilante Support Denied

MB061523 Umtata Capital Radio in English 1400 GMT 6 Jan 87

[Text] Police in the eastern Cape have denied eyewitness reports alleging security force support for vigilantes. Two people have been confirmed killed in an incident at the weekend when bands of vigilantes attacked homes of eight activists. Mike Loewe reports:

[Loewe] Eddie Everson, the police officer for the eastern Cape, has denied eyewitness allegations that police escorted a group of about 1,500 people through the streets of KwaNobuhle during Sunday's fierce faction fighting. However, he said that police had to intervene on two occasions on that day, once at five in the morning and again in the evening, but on each occasion, the police had found hundreds of stick wielding men in groups who told the police that they were sick and tired of radicals in the townships. Everson also said that on each occasion he had confronted the groups and ordered them to disperse. He said that the first dispersal took place 4 hours after the early morning march. Reports in the press are saying a group of 1,500 people walked along the street calmly and at specific houses removed furniture and set it alight.

Violence 'Not Unrest Related'

MB070728 Johannesburg SAPA in English 0721 GMT 7 Jan 87

[Text] Port Elizabeth Jan 7 SAPA — Police and the Bureau for Information have said the fighting that broke out among residents of the Uitenhage township of KwaNobuhle at the weekend was "not unrest related." Two people were killed, seven injured and furniture from eight houses was taken outside and burnt in the violence.

According to a statement released yesterday by Major Eddie Everson, the police liaison officer for the eastern Cape, the reason for the march by about 1500 people through the streets of KwaNobuhle at 4am on Sunday was that "the marchers felt things had gone on long enough and wanted a return to normality and a return of the children to school." The incident had "nothing to do with the unrest whatsoever," he said. Maj Everson said the group marched through the streets "calmly." They had tried "to get hold of the troublemakers, removed the furniture from specific houses and set it alight." Houses were left "untouched." When the group encountered an opposing band of men the two "thrashed it out" and "the youngsters fled into neighbouring koppies [knolls]." Police then dispersed the group four hours after the march started, he said.

He said police knew of the group's aims after rounding the group together at about 8am. They left after police told the group that they were breaking the law and steps would be taken unless they "stopped their nonsense."

Major Everson said police had not been able to put a stop to the violence earlier because the group was large and operating over a wide area.

The two dead men had few external injuries and appeared to have died of internal injuries, he said. The cause of death would be determined by a post mortem.

The head of Operation Real South Africa, Mr Rory Riordan, who has monitored the situation since Sunday, said United Democratic Front activists bore the brunt of the attacks. Residents told him that over 1000 Azanian Youth Union supporters had moved through the township beating people from the UDF-affiliated Uitenhage Youth Congress (UIYCO). Also involved in the march was a new organisation called the African Persons Concerned Committee [APCC].

Previously, the press could not report on the incident because it was believed to be unrest-related. A Port Elizabeth daily newspaper, on being told of the situation in KwaNobuhle, sent a telex to the International Press Liaison Centre [IPLC] on Sunday night, which the IPLC said had been passed on to the Bureau for Information as the bureau dealt with unrest matters. There was no response from the bureau.

On Monday another telex, with more details, was sent directly to the bureau but again there was no response.

Yesterday, the bureau's Mr Deon van Loggerenberg, said the bureau had not received the telexes but it could not help as the KwaNobuhle "incidents" were not unrest related. Details, he said, could be obtained from Port Elizabeth's murder and robbery squad who were handling the investigations.

Mr Riordan said the people he interviewed told him a huge public meeting had been held by "vigilantes" in Mabandla square on Monday morning. Speakers said they now wanted peace. They also said they wanted to "discipline hooligans," which he understood meant the "comrades." Another meeting of the group was scheduled to be held in KwaNobuhle stadium on Saturday, he was told.

The Progressive Federal Party MP for Walmer, Mr Andrew Savage, who interviewed some of the victims and visited the area, said the impression he gained was that it was a "Crossroads, witdoek [white scarves] type" situation. Mr Savage has called on residents who bore the brunt of the attack to make sworn statements about the incident.

A spokesman for the African Persons Concerned Committee — launched on Sunday in KwaNobuhle — Mr Joseph Maliwa, said the body has pledged to "disband all political organisations in the township," including the UDF and AZAPO. The establishment of the committee was a "spontaneous reaction" by "concerned" members of the community who were "tired of the intimidation of comrades holding the township to ransom," he said. The APCC was not a political organisation, he said. He said "the spark" to the raid had been the stoning by comrades of a house on Saturday.

The director of the Black Crisis Centre, Rev M. Maqina yesterday called for Mr Riordan and "all these white sympathisers" to "stop interfering in matters that affect the black community who are mature enough to speak for themselves."

In response to Mr Maqina's statement Mr Riordan said he had never gone into KwaNobuhle univited but had been asked by numerous residents. Late yesterday evening Mr Riordan said the situation in KwaNobuhle was all quiet.

UDF Blamed for Violence Against Inkatha Members

MB070507 Johannesburg SAPA in English 2151 GMT 6 Jan 87

[Text] Durban Jan 6 SAPA — Two Inkatha members died recently following petrol bomb attacks on their homes in Kwa Makuta township near Isipingo and at Umlazi, Durban. The houses of four other inkatha members in Kwa Makuta, including that of the mayor, Mr Jerome Shabalala, were petrol bombed.

A statement from Brig S.M. Mathe, deputy commissioner of the KwaZulu police, to the chief minister of KwaZulu, Chief Mangosuthu Buthelezi, alleged the attacks were carried out by members of the United Democratic Front. The statement said Mr B.M. Dlamini, an Inkatha member and a councillor in Kwa Makuta, died in King Edward VIII hospital on Sunday after sustaining severe stomach burns following a petrol bomb attack on his home. Mrs Sylvia Ntshangase died instantly after her home in Umlazi was petrol bombed yesterday. The statement said here husband, Mr Hamilton Ntshangase, a school inspector based at Madadeni, was injured and admitted to King Edward VIII Hospital with serious burns. Tonight a hospital spokesman described his condition as "stable and satisfactory."

The statement also said the Inyoni (praise singer) of the chief minister, Mr Ephraim Buthelezi, was shot at in Kwa Makuta again allegedly by members of the UDF. His house was petrol bombed for the fifth time. Brig Mathe said he understood the object of the attack was to "eliminate" Mr Buthelezi, because he was closely related to Chief Buthelezi, president of Inkatha, and so that the chief minister would "feel and suffer more pain." The statement said the cost of the damage was estimated at R1200.

Brig Mathe said Mr Shabalala's house was destroyed, while the homes of Mr Gidion Ngema and Mr Edwin Mbatha at Kwa Makuta were damaged.

Mr Archie Gumede, UDF president said: "While we express our condolences and sympathy with the victims of the recent incidents of violence at Kwa Makuta, the accusations levelled by Brig Mathe in his statement regarding Kwa Makuta are not calculated to further the interests of peace and justice or to reduce the tension that exists between the UDF and Inkatha."

"If the brig has evidence that any member of the UDF has committed these acts then surely it is his duty to bring the offenders to court for the law to take its course in the circumstances," said Mr Gumede.

He said in the past two years, following incidents of violence in the townships and villages around Durban, numerous interdicts were granted in the Supreme Court against senior members of Inkatha and several high ranking members of Inkatha were convicted of public violence and malicious injury to property. No interdict was granted against any member of the UDF to date, he said. "To drag the name of the chief minister of KwaZulu into a conflict that has its origin in local issues that have no interest for affiliates of the UDF save those directly affected thereby is irresponsible to say the least," said Mr Gumede.

Police Impose Restrictions on Detainee's Funeral

MB061600 Johannesburg SAPA in English 1540 GMT 6 Jan 87

[Text] Johannesburg, Jan 6, SAPA — The funeral service of former detainee Mr Simon Matanzima Marule was delayed for several hours today as a result of restrictions imposed by police.

Mr Bethuel Marule, Simon's elder brother, said this morning that the service was due to be held at the KwaThema civic centre at 10am, from where the procession would leave for the cemetry.

However, the family popstoned the service to 2pm as a result of a police order stipulating that the service could last no more than two hours.

The situation was tense in the township this morning. Mourners arriving at the home the deceased mourners left after being told of the new arrangements. [sentence as received]

Mr Simon Marule, 20, was a student at Nkumbula High School and chairman of the Kathema Student Congress.

He died at the Boksburg Benoni Hospital after spending six months at Modderbee Prison as an emergency detainee.

He had been detained on June 20 and was transferred to hospital on November 22, where he died the next day.

A police spokesman said he died of suspected fits, an assertion that the family has challenged.

In terms of the restriction order issued by Major General F.G. van Zyl, divisional commissioner of the Springs police only 200 people could attend the funeral.

He issued the restrictions under Regulation 7 of the Public Safety Act 3 of 1953 promulgated on August 1986.

The order also prohibited the making of political speeches the displaying and distribution of banners and posters and the singing of freedom songs.

In addition the funeral was to be held indoors.

'Terror Attacks' Reported Down in December

MB061147 Johannesburg SAPA in English 1129 GMT 6 Jan 87

[Text] Pretoria Jan 6 SAPA — Only two people died in terror attacks during December compared with 12 in December 1985, according to figures from the Institute for Strategic Studies at the University of Pretoria.

Police said the ANC's expected Christmas terror campaign had been largely unsuccessful.

An institute spokesman said police caught or killed 160 alleged ANC insurgents between January and November last year. This had led to a steady reduction in the number of terror attacks after July. The spokesman said five of those who died during the 1985 festive season were killed in the blast at the Sanlam shopping centre in Amanzimtoti on December 23. There had been no such attack this December.

In all, hes said, 53 people were injured in terror attacks in December 1985. Last month was much quieter with the loss of only two lives — those of two policemen shot by an alleged ANC operative in the Weipe area —and a small number of injuries. He said May, June and July last had each seen 25 terror incidents. However, in August there were only 18 incidents, in September 15 and October 17. In November there were 14 incidents.

The SAP's Media Liaison Directorate in Pretoria said the failure of the ANC's Christmas campaign could mainly be attributed to effective preventative measures and security forces success during the last months of 1986.

"An increase in preventative measures by the security forces coupled with successes achieved in the elimination and arrest of terrorists and the discovery of several arms caches must have had an adverse effect on the planned campaign," he said. The spokesman said the police still believed a concerted campaign had been planned and that the counter-measures mentioned had neutralised it. He said many members of the public had heeded the call by the police to be on the alert for suspicious objects and behaviour. "With the assistance of an observant public terrorists were traced and landmines as well as arms caches were uncovered."

DPSC Sees 'Steep Rise' in Christmas Detentions

MB070741 Johannesburg SAPA in English 0727 GMT 7 Jan 87

[Text] Johannesburg Jan 7 SAPA — The Christmas period saw a steep rise in the rate of detentions with 253 people reported held, including 145 children under the age of 18, the Detainees Parents Support Committee [DPSC] said in its report for December released today. "Far from exercising compassion during this time, the security forces appear to have increased the tempo of repression, especially after the imposition of the new restrictions on December 12," the DPSC, which monitors detentions and runs an advice office for detainees, said.

A marked feature of this new wave of detentions was the increased proportion of youth held despite last year's campaign to free children in detention. "Our statistics show that, over the entire emergency, at least 8800 young people of the ages 18 and under have been held, constituting about 40 per cent of detainees. During the period under review, children of 18 years and under number 145, constituting an enormous 59 per cent of the total."

The organisation said few detainees had been freed over the festive season. Its figure of 57 releases in December amounted to a ratio of detentions to releases of almost 5:1. Only 21 people, mostly children, were reported freed on Christmas Eve and two 11-year-olds from Soweto, Velaphe Nyembe and Petrus Khmabule were able to spend New year's Eve with their parents.

The report stressed that its figures were partial and based only on reported cases mostly from the PWV [Pretoria-Witwatersrand-Vereeniging] area. A national figure for December has not yet been collated.

Commentary Sees New Hope for Black Education

MB070534 Johannesburg Domestic Service in English 0500 GMT 7 Jan 87

[Station commentary]

[Text] Black Education has been a central issue in the unrest of the past two years and more. Indeed, student violence, school boycotts and intimidation have been part of revolutionary action since the Soweto riots of 1976.

Now, there is hope that a turning point has been reached and that today will mark a watershed in black education. Three hundred thousand black children will set off on their school careers this morning and, in all, a record number of 1.8 million black children are expected to register for this year's classes.

This favorable situation is due to the silent majority in black communities — the parents and others who have become fed up with the violence and intimidation that has threatened to deny their children the passport that education and training provide for a better future. The education problem has, in the words of the SOWETAN newspaper, created enormous social, political and even econmmic has les for all black people.

A recent survey showed that 93 percent of parents wanted their children to receive an education without interference from outside. So strong has the tide flowed in recent months against the campaigners for school boycotts that several radical organizations have been compelled to join the call for an end to school stayaways — or face losing whatever support they have in the townships.

All this is part of a broader backlash against the extensive black-on-black violence and the suffering that the revolutionary onslaught has brought to black townships. The backlash has seen the failure of the call for a black Christmas, the collapse of consumer boycotts and, unhappily, physical action taken by vigilante groups against the so-called comrades and other revolutionaries.

The state of emergency has — in spite of all the criticism levelled at it — played an important role in this. In the case of education, intimidation has been curbed, enabling parents to stand up for their rights, and those of their children.

Problems still remain in respect of black education, of course, but there is now hope for a new understanding and cooperation between the authorities, the parents and the children that will see grievances resolved and problems overcome.

A key component in this will be greater parental participation in education, with parents being encouraged to become more involved in their children's schooling and extramural activities and to forge closer links with headmasters and teaching staff.

The return to school this morning could well be an important milestone in the future of black education — and, indeed, of South Africa.

Education Official Promises Accommodation Efforts

MB070553 Johannesburg SAPA in English 0535 GMT 7 Jan 87

[Text] Johannesburg, Jan 7, SAPA — Hundreds of thousands of black pupils are expected to flock back to class today, following a massive return-to-school plea by community, political, church and educational organisations.

Although the Department of Education and Training [DET] may not be able to guarantee a place for some pupils who failed last year, the chief of public relations at the DET, Mr Job Schoeman, said most would be accommodated. "Our focus will be on accommodating the new STD 5 pupils. We cannot guarantee that we will be able to accommodate each and every pupils who failed in 1986 and wishes to repeat the year," he said. Mr Schoeman said the DET expected about 1.8 million to enroll for school this year — an increase of about 70,000 over last year's figure. "This is a normal increase and we do not expect anything different," he said.

He added that in some areas — especially in Soweto — schools had been damaged to such an extent that they could not re-open today. They would have to be repaired before they could open. "For those pupils we will have to look at supplying temporary accommodation. As a last resort we may have to go back to the platoon system where pupils go to schools in shifts," he said. "But," he added, "We will do our best and try to make sure that pupils are given a chance to go back to school.

On the closure of 73 schools by the DET at the end of last year, Mr Schoeman said he was unsure how many of those would re-open today. The re-opening of those schools depended entirely on the reaction of parents and the community. Discussions about this matter were being held countrywide between the department and parents and community groups. "Only if the parents wish to have the schools re-opened and if they are prepared to take responsibility for their children's behaviour will the schools be re-opened," he said. Attempts by pupils from schools that had been closed to enroll at other schools may not be successful. Mr Schoeman said preference would be given to pupils who had been at the school the previous year.

Mr Schoeman said the department had experienced the "normal" number of teacher resignations and that last year's disturbances had not affected the number of teaching staff in schools. He expected there to be about 48,000 teachers for the 1.8 million pupils. The teacher/pupil ratio in primary schools was expected to be 1:40 and in the secondary schools there would be one teacher to 30 children, he said.

'Massive' Turnout Reported

MB070744 Johannesburg SAPA in English 0724 GMT 7 Jan 87

[Text] Johannesburg, Jan 7, SAPA — Black pupils poured into classrooms throughout most of the country today, heeding a massive return-to-school plea by community, political, church and educational organisations.

On the first day of the school year in Soweto today thousands of pupils flocked back to class but many pupils said they were apprehensive about the future of the school year.

In Tembisa on the East Rand thousands of pupils complied with the return to school call. As early as 7am primary school pupils in uniforms, some accompanied by their parents, were seen going to schools in the township. Just before 8am the secondary schools also became active when pupils in uniform and others in street clothes reported for class.

The Department of Education and Training's chief of public relations, Mr Job Schoeman, said about 1.8 million pupils were expected to enroll for school this year — an increase of about 70,000 over last years figure. Although the DET may not be able to guarantee a place for some pupils who failed last year, Mr Schoeman, said most would be accommodated.

In Pretoria thousands poured into schools.

Many pupils were trying to find transport to schools and some were seen hitch-hiking in an attempt to reach class on time.

Soweto Rent Collection Rate 'Improving'

MB061130 Johannesburg SAPA in English 1125 GMT 6 Jan 87

[Text] Johannesburg Jan 6 SAPA — The six-month-old Soweto rent boycott is gradually being busted with the city council collecting 80 percent of its normal monthly income last month, the acting town clerk, Mr R.E. du Toit, said today. This did not mean 80 percent of Soweto's 75,000 households, of which 50,000 are rented homes and 25,000 are 99-year-leasehold properties, paid their rent for December, he said, but it was a subjective estimate of the moneys collected for that month.

"The rent boycott has not been broken but it is improving," he said. Increased income had been gradual but he would not provide figures of losses saying any business reserved the right to keep its books a secret. "We do not have to give our enemies ammunition."

The council had run into a R12 million arrears for electricity and water payment to ESCOM [Electricity Supply Commission] and the rand water board, but this amount constituted service charges and not rents. Taken in context the council spent R2 million a month on electricity and water and its overall annual running costs were R150 million. "The arrears are small," he said. Mr Du Toit would not confirm the figure of R59 million given as the areas for rents since June.

A R20 million bridging finance loan was taken last year to continue to pay for water, electricity, maintenance, roads and council salaries.

"But the balance is coming back slowly," Mr Du Toit said.

The council had employed several strategies to assist people in paying their rents. Many residents were paying by cheque or debit order or at the rent collection office in Johannesburg where they could go without being intimidated. Residents were also informed in newsletters what their rents covered. "People are definitely realising that in the long term it is beneficial to pay their rents," Mr du Toit said. No council decision had yet been taken on the issue of charging interest on arreas.

The town council were switching off the electricity supply of an average of 2000 houses a month, but the same amount was being switched on for people paying their accounts, Mr Du Toit said.

Procedures for evictions of people not paying their rents was still being carried out through the courts. "(Earlier) attempts to evict people not paying their rents started involving the lives of people. We suspended that action for a while. We have to be aware of the political situation," Mr Du Toit said.

National States Transferred 4.5 Million Hectares

MB061203 Johannesburg Domestic Service in English 1100 GMT 6 Jan 87

[Text] Since the beginning of the year the South African Government has transferred almost 4.5 million hectares of land to the six national states. Our Pretoria news staff reports that the transfer by way of proclamation in the *Government Gazette* means that all control over, and administration of the land, will in future be the responsibility of the six governments.

The director, land matters, of the Department of Development Aid, Mr Koos Cilliers, says the governments will be able to decide in what way, and to whom, the land will be awarded, and how it will be utilized. Negotiations on mineral rights on the land will in future have to be conducted with the governments of the national states. Mr Cilliers says the department will continue to help the states to develop the land but will only do so at their request. The Central Deeds Office in Pretoria will help register deeds on the land until such time as officials of the governments concerned have been trained to do so.

Survey Finds Falling Employment Levels, Salaries

MB061606 Johannesburg SAPA in English 1604 GMT 6 Jan 87

[Text] Pretoria, Jan 6, SAPA — Employment levels have not only been reduced in a number of industries, but remaining employees' salaries have shrunk in real terms, according to a central statistics report released in Pretoria today.

Employment levels in the wholesale, retail and motor trades, the control boards and hotels have all decreased form the third quarter 1985 to the same period last year.

The percentage shrinkage in manpower were respectively 1.4 percent, 1.1 percent, 2.4 percent, 8.3 percent and 0.2 percent.

Through the average salary in all the industries were increased in this period, real income fell.

Measured at constant 1980 prices, the average wholesale trade salary fell from R471 to R459, the retail trades from R257 to R256, the motor trades from R409 to R380 and the hotels from R185 to R173.

Control board employees enjoyed an increase in real income from R730 to R746 however.

The average black employees' real income also increased except in the motor and hotel trades.

Average salaries at current prices increased from the R921 to R1064 in the wholesale trade, from R502 to R592 in the retail trade, from R798 to R880 in the motor trade, from R1432 to R1735 at the control boards, and from R358 to R400 at hotels.

Central statistics based these figures on gross salaries, including overtime, allowances, commission and bonuses.

Disparities Seen in Incomes

MB061515 Johannesburg SAPA in English 1508 GMT 6 Jan 86

[Text] Pretoria, Jan 6, SAPA — There are still significant disparities in blacks and whites salaries in a range of industries, a central statistics report released in Pretoria today shows.

White officials at the control boards earned an average salary of R2374 a month late last year, while blacks earned R443.

Whites in the motor trade earned R1556 against blacks' R384.

White hotel employees earned an average of R901 against blacks' R263.

In the retail trade, whites earned R968 against blacks' R366, while in the wholesale sector, whites were paid R1933 a month compared with R413 for blacks.

Coloureds and Asians income ranged in between these levels, with the Asians earning more than coloured in all the categories.

Emigration Creates Deficit of 5,852 Residents

MB071045 Johannesburg SAPA in English 1033 GMT 7 Jan 87

[Text] Pretoria Jan 7 SAPA — The outflow of emigrants from South Africa continued through October last year, when the country suffered a net loss of 440 people, compared with gaining 238 residents in October 1985. Central Statistics reported in Pretoria that 11,835 people emigrated between January and October last year, leaving the country with a deficit of 5852 residents. The braindrain also continued unbatedly during this 10-month period. Some 1976 emigrants were professionally qualified, while there were only 948 professionals among the 5983 immigrants. About 40 per cent of emigrants went to Australia while 30 per cent left for the UK.

Information Bureau Issues 6 Jan Unrest Report

MB070737 Johannesburg SAPA in English 0730 GMT 7 Jan 87

[Text] Pretoria, Jan 7, SAPA — Here follows the unrest situation report for the period 0001 to midnight yesterday (January 6) issued by the Bureau for Information in Pretoria.

About 30 riotous black men threw stones at private homes in Tinus (Fort Beaufort) yesterday. A black woman was injured in the incident. Little damage was caused to the houses. No arrests have thus far been made.

Other reported unrest-related incidents again comprised isolated stonings and petrol bomb attacks in few police districts.

Press Comments on Current Problems, Issues

MB070651 [Editorial report]

THE CITIZEN on Elections

"We would have thought that *The Star*, and other PFP newspapers, would rejoice that an election is being held," says Johannesburg *The Citizen* in English on 6 January in its page 6 editorial. "After all, it does give the PFP an opportunity to show that its so-called turbocharged machine can vanquish the NP." Although it "would be better if all the three Houses went to the polls at the same time," *The Citizen* is "more than satisfied if only an election for the White chamber is held, for it is the Whites who still control the government and it is the Whites, if there is going to be a negotiated settlement of the country's problems, who must be prepared to make the concessions to achieve this." The paper does not think that the emergency regulations "will invalidate the election, as some critics claim, since there are many topics, besides the unrest, on which the government can be tackled vigorously."

THE STAR on Constitution Credibility

Johannesburg *The Star* in English on 6 January says in a page 12 editorial that the colored and Indian representatives were "inserted into a Cabinet of staunch white Nationalists to give a veneer of respectability to the tricameral parliament." But when the leader of the Labor Party Allan Hendrickse, "wants to wield political muscle he clearly cannot do it by democratic discussion in the Cabinet. He must do it by getting into a bathing costume and inviting the world to watch him break the laws which underpin the philosophy of his own Cabinet colleagues." *The Star* says that "of the three houses of parliament, only one really counts — the white one." "So Mr Hendrickse and the Government are almost at stalemate. Mr Hendrickse can hardly back down now and keep any credibility. The Government can hardly implement the one threat it seems to think it has up its sleeve: to dissolve the coloured house and call a new election. That, surely would throw too many compliant politicians to the wolves and demonstrate, through even lower polls, that the new constitution has no credibility left at all."

BUSINESS DAY Questions Mandate

"Every voter who, at the time of the constitutional referendum, endorsed President Botha's plans for reform has a duty now to ask himself: Is this what I voted for?" notes a page 4 editorial in Johannesburg *Business Day* in English on 6 January. "The leader who promised to cut back the bureacracy has instead created a huge clumsy machine which, unable to manage the country by political methods, can do no better than make it an offence to tell the truth." The paper notes that capital has fled the country so rapidly that "we have for the first time in our modern history reneged on promises to pay." "Underdeveloped SA, utterly dependent for peace upon its economic development, has been turned into a capital-exporting country. We have become a stagnant backwater, ruined by uncontrolled inflation and unrestrained power. The response of the government, given the twin crises at home and overseas, is to quarrel with the great democracies while it emulates the methods of tyrants."

Right-Wing Opposition Unlikely

Political correspondent Max du Preez writes on page 5 that the "coming white general election will at least partially answer one key question: how much has the Right-wing opposition to government grown?" "The Right wing has been the bogyman used as an argument against real reform and progress on the way to democratising SA for years." Du Preez believes the "combined Right wing will have an almost ideal environment in which to seduce gullible whites: it will be the first general election since the tricameral Parliament started functioning; since the Immorality Act were scrapped; the pass laws done away with; and citizenship to millions of homeland blacks restored." The PFP seems to "have a good chance to hang on to their position as official Opposition, and the NP to their two-thirds majority. But it is the CP/HNP's 'best possible' figure that is really scary. Then again, at the rate government is moving to the Right at the moment, it seems highly unlikely that the Right wing will do that well."

CAPE TIMES Calls for Support for Opposition

A page 6 editorial in Cape Town *Cape Times* in English on 5 January says "President P W Botha's summary rejection of Mr Allan Hendrickse's call for the immediate scrapping of the discriminatory Group Areas Act is a sharp reminder of just how limited his concept of 'reform' is — and that the government is unable, or unwilling, to implement the urgent changes which are necessary to save our country from disaster." "Clearly, now is the time for white voters to give President Botha an unequivocal demand for real reform, including the immediate abolition of the Group Areas Act, by supporting the moderate opposition in the coming elections."

CAPE TIMES: Media Censorship Criticized

Stanley Uys notes in his "London Dateline" column on the same page of *Cape Times* that "many people outside South Africa get a more balanced picture of what is happening in South Africa than South Africans do themselves. The time-worn accusation against foreigners that they do not understand the situation in South Africa is no longer true." Uys says this is not the fault of the media in South Africa since "the press fights for air under a myriad restrictions and the SABC and SATV are little more than government mouthpieces." "Censorship of the media has come too late. The damage has been done. The nightly scenes of violence from the townships seen on television screens around the world will live forever in viewers' memories. Against this background, people see censorship of the media not as a first step towards the restoration of law and order in South Africa, but as a natural extension of an oppressive system."

SOWETAN: Black Education Urgent

Johannesburg *Sowetan* in English on 6 January says in its page 6 editorial that the "education of black children is as much part of the future of this country as any political dispensation. For the number of blacks is a persuasive argument to have as many skilled as is possible." "Educationists are aware that the number of whites in industry will fall far short of the adequate complement, even before the year 2000. Add to that the number of sociological, political and economic problems which will grow if so many people are uneducated, then the education of blacks becomes even more urgent."

TRANSVALER Criticizes Hendrickse Boycott

A page 14 editorial in Pretoria *Die Transvaler* in Afrikaans on 5 January says that it is a pity that Labor Party leader Allan Hendrickse wants to "involve the old boycott game in colored politics becuase he cannot get his way with government decisions." "For someone with the political insight of Hendrickse it should not be difficult to recall the years when the country's coloreds wandered around in a political desert." "No one has ever viewed the tricameral parliament as the final answer to the constitutional struggle. But through it much has been achieved to prevent polarization — and that is what everyone who seeks a peaceful solution should keep in mind."

DIE VADERLAND Against Majority Power

A page 14 editorial in Johannesburg *Die Vaderland* in Afrikaans on 5 January says that the New Year demands that all be aware that what is at the heart of the matter in South African politics is that the black man should have "political accommodation as an integrated part of our government system." But the "idea that the white and especially the Afrikaner should stop being stubborn and should hand over power to a black majority is an oversimplification." *Die Vaderland* notes that the "path to a new dispensation is more complicated" and should be the task of all for 1987.

BEELD: Radicals Support Return to School

"After a decade of great unrest in black education, there are hopeful signs that a turning point has been reached," says a page8 editorial in Johannesburg *Beeld* in Afrikaans on 6 January. "The fact that even radical elements support the country wide campaign to get children back to school is an indication of agreement about education as a key to a better future." "We hope that it has now been realized that the quality of life in the new South Africa will be determined by the quality of the child's education regardless of present or of any future political dispen-sations. Schools have been used as political grounds for too long and the lives of children and the future of the country has been gambled with."

DIE REPUBLIKEIN: Social Progress Recognized

Windhoek *Die Republikein* in Afrikaans on 5 January says in its page 4 editorial that in SWA/Namibia there should be "no deviation from the course which has been decided upon," since "last year the hard work of many years to create social justice has noticeably borne fruit. SWA/Namibian people have gratefully experienced that various international powers took notice of the remarkable progress which has taken place in the country." *Die Republikein* notes that SWA/Namibia has been excluded from sanctions measures by the European Community, and it is protected fgom the propaganda of the "anarchists."